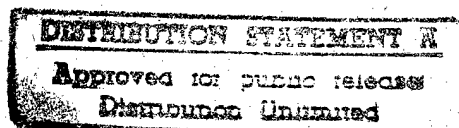


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30 DECEMBER 1986

# Sub-Saharan Africa Report



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30 DECEMBER 1986

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NEED FOR TECHNOLOGY TRANSFER ARGUED

Nairobi FINANCIAL REVIEW in English Oct 86 p 2

[Editorial]

[Text]

During the conference on the enabling environment for private enterprise in sub-Saharan Africa which ended in Nairobi last week, much effort was expended on the kinds of policy reforms that are needed to encourage free enterprise on the continent. Not as much, however, was devoted to the crucial issue of technological transfer from the developed countries to Africa. Private enterprise from foreign investment is welcome in Africa, but the ultimate aim of African countries is to develop some sense of self-sufficiency in those economic activities that are vital for the survival of a nation. Unfortunately, much of what goes by the name of foreign investment increases rather than decreases dependency by developing nations. Technologies which consist of nothing more than assembly of foreign designed products or formulation of chemicals from imported ingredients add very little to the value of imported commodities and often end up being more expensive than the finished products if they were imported instead of assembled or formulated. Worse, they give the false impression of technology transfer when in fact the host nation has little or nothing to show for its efforts in terms of acquired skills at the end of the day.

African and other developing nations ought to pay greater attention to the challenge of technology transfer when negotiating deals with foreign investors. Management contracts for industrial projects in which foreign investors are involved should be scrutinised thoroughly to ensure that meaningful transfer of skills and technology are effected in the shortest possible period. Ideally, the African nations should insist on outright purchase of technology wherever possible instead of arrangements which call for indefinite payment of royalties to the holder of the patent to the technology. In many cases the technologies which are suitable for African nations are in any case no longer economically competitive if used in developed countries. African

nations, thus, have bargaining leverage when negotiating with holders of patents to such technologies.

Another point for African nations to bear in mind is the need to insist on high level technical training for African staff working in foreign owned industries. Often, foreign investors want to maintain an indefinite hold on the management of their subsidiaries through lethargic procedures of training for local manpower. Just as often, foreign investors avoid introducing innovative technological measures in their overseas subsidiaries to avoid competing with their established lines of activities. Well trained local expertise could help rectify this state of affairs in the interests of host nations. ■

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CSO: 3400/484

# EAST AFRICAN PORTS INCREASING FOCUS OF ATTENTION

London AED in English 8 Nov 86 pp 14, 16-18

[Text] **Shippers' avoidance of South African ports has shifted the focus to east African destinations. Much attention has been focused on Beira, but Dar es Salaam is becoming increasingly crucial. Forwarders are constantly showing their ingenuity in finding alternative routes, with almost weekly announcements of new services on offer. But, despite expansion and modernisation plans, the new services mean increased strain not just for the ports but for the whole inland transport system serving east and southern Africa**

EAST Africa's port and inland transport system could come under acute pressure if sanctions are applied to South Africa. Modernisation and development is making progress but infrastructure is still inadequate for the task it faces.

Investment in the ports has improved handling facilities but shipowners have found that they have had to lay on extra vessels simply to guarantee existing schedules in case of disruption without expanding the range of services they offer.

The planned port developments, helped by international funds, should significantly improve conditions, although in many cases there are doubts over the timetable (see box). At present, however, even slight fluctuations in cargo volume can create congestion at ports, shipment delays and even losses of cargo, particularly perishable items. Even seasonal variations can prove too much and special circumstances, such as aid shipments to Ethiopia, can severely disrupt normal trade.

The political as well as financial difficulties faced by many African countries mean that the obvious routes for imports and exports are often problematic. What seems geographically logical is often unworkable in practice.

From the map it would seem that Matadi port or Luanda in Angola would be the best outlet for Zaire's mineral exports. Dar es

Salaam would appear to have a very broad potential catchment area — embracing Tanzania, Zambia, Zimbabwe and Malawi.

But lack of investment, combined with politically motivated attacks, usually from South African-backed guerrilla forces, have left many inland communication links in tatters.

The Benguela railway, which runs from Luanda to the Zairean border, has been effectively put out of action by attacks from the South African-backed Uniao Nacional para Independencia Total de Angola (UNITA) rebels, depriving Zaire and Zambia of a valuable outlet to the sea. In Mozambique too, transport links from Zimbabwe and Malawi to the ports of Beira, Nacala and Maputo are frequently disrupted by the activities of the Mozambique National Resistance.

The Southern African Development Co-ordination Conference (SADCC) is making progress with efforts to improve its member states' transport links to avoid using routes through South Africa, but, according to export forwarder WTC Transtec, the relative efficiency of the South African transport system has led to its increasing use for cargoes destined for countries further north.

South African-based hauliers, as well as those from Zimbabwe, Malawi and Zambia, still operate throughout much of the region and as far north as Zaire, WTC observes,

helped by the common rail gauge throughout this part of Africa, which allows the operation of through services, "although wagon allocations and interchange requirements occasionally bedevil the smooth operation of such services."

For the time being, the administrators of South Africa's ports appear confident of their continuing importance to the republic's neighbours. Durban's port director, Captain Peter Cox, was recently quoted as saying that sanctions would take "five or six years" to affect the port.

Plans are now under way, both through SADCC and elsewhere, to improve and upgrade alternative facilities which would ease this dependence. "There is little doubt," WTC says, "that most countries would benefit by an upgrading of their rail facilities . . . foreign investment has already become noticeable in the provision of locomotives and rolling stock."

A closer look at the major road and rail connections of the region gives both an idea of the potential for avoiding dependence on South African transport and of the amount of work necessary to bring services up to the level required to provide an economic routing.

**KENYA:** Mombasa port has been modernised and an inland clearance depot (ICD) established at Embakasi near Nairobi. At present the ICD is underused, largely because the advantages of inland clearance have yet to be fully appreciated, WTC says. Transit cargoes move through Mombasa, which acts as a gateway for Uganda, Rwanda and eastern Zaire — serving mainly the coffee producing regions. Burundi is also a major user of Mombasa, although it can also take advantage of the rail link running from Dar es Salaam to Kigoma port on Lake Tanganyika, where goods are transhipped on to barges.

**TANZANIA:** Dar es Salaam port relies heavily on the Tanzania-Zambia Railway Authority (Tazara) line to transport cargo to Zambia, but both railway and port can be unreliable because of lack of spare parts due to foreign exchange shortages. Charges on the railway can vary dramatically and at short notice. Dar is the natural outlet for Burundi and is also used by Rwanda and southern Zaire. Uganda has also made use of

this gateway via Tabora and Mwanza by rail and barge across Lake Victoria, with road connections on to Kampala. The lake traffic is carried in motorised barges with capacity for 20-foot containers.

**ZAMBIA:** The Tazara railway is considered vital and is built to the same gauge as the Zambian railways, making through movements relatively easy.

**MALAWI:** The natural outlets are Nacala and Beira in Mozambique; Nacala has been designated by the government as the principal route for containerised traffic. This connection has, however, been all but severed by MNR action and it is expected to take several years to restore it to full operation, despite upgrading work now under way. The railway to Beira has not been used for some time because of rebel damage, but repair work is planned. The alternative route uses Dar es Salaam, with transhipment from road to rail at Mbeya on Tazara, where a container depot has been set up with overseas aid. From Mbeya, containers move by road to Chilumba on Lake Malawi and by steamer or barge to Chipoka on the lake's southern tip. On-carriage is by either road or rail. Freight forwarders believe this route will become increasingly important in the longer term.

**ZIMBABWE:** The country is served by Beira by way of Mutare to Harare with block trains that connect with roll-on, roll-off ships deployed by the Southern Africa Europe Container Service shipping lines. Disruption of Mozambican routes by guerrilla activity initially led to increased road and rail volume through South Africa, notably the container trains between Harare and Durban. The government has made clear its commitment to keeping open the Beira corridor — with its rail, road and oil pipeline links — not least by despatching troops to Mozambique to protect the route.

**BOTSWANA:** Part of the Southern African Customs Union, the country relies almost entirely on South Africa's rail, road and port system. Traditionally, its shipments have centred on Port Elizabeth but have increasingly shifted to Durban and Johannesburg, where advantage can be taken of block container trains. Beef exports at present depend on cold storage facilities at Cape Town.

**ZAIRE:** The principal port is Matadi, 150 kilometres from the mouth of the Zaire river, served by deep-water vessels with on-carriage to Kinshasa by rail and road. Major cities in the south, such as Lubumbashi, use South African ports for their major import and export route. Eastern towns tend to be served via Dar es Salaam and Mombasa. Cargoes moving through the Kenyan port are carried by road; those through Dar tend to move by rail to Lake Tanganyika where they are transhipped on to barges.

## **Major port developments planned for east and southern Africa**

### **SUDAN**

Third phase of Port Sudan expansion. Still considered some way off, despite government's desire to get under way.

### **DJIBOUTI**

Tendering under way for extension of container terminal quay and water depth to be increased to 13 metres. Around 15 hectares of storage area to be provided.

### **ETHIOPIA**

Assab — tenders called for tug berth, repairs to berths 13 and 14 and new handling equipment planned.

### **SOMALIA**

Container equipment at Mogadishu, plus freight station and emergency repairs to breakwater, new freight station at Berbera and workshops and stores at Kismayu. Tendering under way for completion by 1989.

### **KENYA**

Mombasa — 45-hectare container terminal planned outside port area. Improvements to Shimanzi multi-product berth and Kipevu oil terminal planned for 1987.

### **TANZANIA**

Dar es Salaam — new berth container terminal with advanced back-up equipment under way. Rail transfer facility also to be provided, plus construction of an inland clearance depot 10 kilometres away at Ubungu.

### **MOZAMBIQUE**

Nacala — development of container terminal planned. Wharf to be extended by 400 metres.

Beira — \$200 million first-phase expansion under way, due for completion by 1990, as part of wider rehabilitation of inland links. Dredging for port to handle ships of up to 25,000 tons, new oil terminal and new multi-purpose, container, cereal, sugar and tobacco terminals priority, along with specialised handling facilities.

COMPETITION is developing among freight forwarding companies to offer new services via east African ports in the face of an increasing threat of disruption on routes via South Africa to countries like Zambia, Zimbabwe and Malawi.

One leading operator, Leopold Walford, for example, has devised a new routing for Zambian cargoes away from South African ports, avoiding payment of the deposits levied on Zambia-bound goods by the South African government. In co-operation with its Zambian subsidiary, the UK-based company has organised a service to route shipments through Dar es Salaam and Beira. As well as exports from Europe, the company is also handling substantial volumes from the US and Japan.

Dar was also chosen as the alternative port by Afrital Shipping, which has just developed a new routing for Zimbabwe-bound cargoes as a counter to increasing restrictions imposed by the Pretoria regime. The company, which styles itself as a non-vessel-operating common carrier, is offering the new routing for all types of cargo — full container load, less-than-container load (LCL) and conventional non-containerised shipments.

Shippers will consign goods to Dar through Afrital in London, which will be working with Tanfreight at the port. Sailings from the UK will be on vessels of independent operators such as Eurafra Shipping Lines, Besta, West European Container Lines (WEC) and Mediterranean Shipping Company on a fortnightly basis, except for conventional cargoes, which will be monthly only.

Afrital says the average transit time will be three or four weeks to Dar es Salaam, with another three-four weeks for on-carriage to Harare, although departures on the land leg will be every three or four days.

Rates work out at roughly \$1,900 for a 20-foot container and, although the services are running from the UK, European shippers are provided with the option to select the new routing.

Sea Cargo Inter Continental (SCIC), which claims to be the single biggest user of Dar port, is developing a number of new services to avoid using the southern route for cargoes to Zambia, Zimbabwe and Malawi.

The company, which has a throughput of more than 565,000 tonnes a year of imports and exports at Dar, is expanding its new services from a base of handling Zambian copper shipments; SCIC is a UK-based subsidiary of Zambia Consolidated Copper

Mines. Now it is shipping goods such as tobacco, groundnuts and cotton from central and east African countries.

Full container and groupage services via Dar es Salaam to continental outlets as well as the UK are being offered. The company reports an encouraging response since services started at the beginning of October.

One big advantage the company has to offer is its Kurasini depot, one kilometre from the port area. This gives far greater control over cargoes than if all sorting and clearances were handled in the port itself.

Announcing the expansion of services recently, operations manager Steve Barlow said the specialised facility was not only of benefit to shippers but was being offered to other freight forwarders. He said it allowed the company to keep transit times through Dar es Salaam to a minimum, with loading on to the Tanzania-Zambia (Tazara) railway taking place round the clock when wagons are available.

"Container facilities at the port are being developed and the port redevelopment scheme is progressing," Barlow said. "The railways operate well but under severe constraints. Obviously, for transit cargoes to and from Zambia the railway is of critical importance — and pressure is bound to build up in the advent of increased traffic from Zambia, Zimbabwe and Malawi. For these reasons, we are actively investigating the use of trucking services to complement the services already provided by Tazara."

LCL services to Harare and Bulawayo are being offered by Afrifreight (AFL) via Beira — a link which is being given increased emphasis by companies both within and outside Africa thanks to plans for a \$200 million expansion of the port.

Finally, the Intraship Group recently launched an integrated door-to-door service to east and central Africa, claiming that shippers will need only one document for the whole of their cargo movement, even if several forms of transport are used. As part of the company's drive for business in the region a number of local offices have been established — in Burundi, Kenya, Rwanda, Tanzania and Uganda — and the company is offering inward service to destinations extending as far as Zambia, Malawi, southern Sudan and eastern Zaire. Intraship has taken on some 750,000 square feet of warehousing space at Mombasa and will have a container yard and a varied fleet of some 150 vehicles to operate its schedule.

# SAVIMBI ASKS FRANCE TO HELP PROMOTE PEACE TALKS

Johannesburg THE CITIZEN in English 24 Oct 86 p 10

[Text] Angola's rebel leader, Dr Jonas Savimbi, yesterday called on France to try to pressure Angola's Marxist Government into accepting that only negotiation can end the country's civil war.

Dr Savimbi, in France on the second-day of a European tour aimed at rallying support for Unita, made the appeal at a meeting with about 25 Right-wing National Assembly deputies.

They included parliamentarians supporting the Prime Minister, Mr Jacques Chirac, whose government has ruled out any official reception for the rebel leader.

"I want the support of France, not necessarily for Unita, but for negotiations," Dr Savimbi said.

He said France, which unlike the United States has diplomatic relations with Luanda, could help promote peace talks by using its influence in Africa and Europe.

"The war will end only when there are talks," he said, warning that the 11-year conflict would spread if the Soviet-backed government in Luanda refused to come to the negotiating table.

France has considerable economic interests in Angola but despite attempts to distance the government from Dr Savimbi a number of leading politicians close to the Gaullist Prime Minister have met and praised him.

Dr Savimbi said he was ready for negotiations without preconditions but stressed he would insist on the withdrawal of an estimated 30000 Cuban troops in Angola.

He said he was sure the Angolan Government must come to the negotiating table soon as a major government offensive earlier this year had failed to crush his forces.

Asked how long he thought it might take before talks started, he said "It is no longer a question of years."

/12828

CSO: 3400/508

SECRECY SURROUNDS DEATH OF EMBASSY EMPLOYEE IN LISBON

Lisbon EXPRESSO in Portuguese 4 Oct 86 pp 1, 24

[Text] The judicial police are investigating the circumstances surrounding the death last August of a security employee at the Embassy of the People's Republic of Angola in Lisbon, Venancio Luis (Gordurosa), as EXPRESSO learned from an official source.

The Angolan Ambassador to Lisbon assured EXPRESSO that Venancio Luis had died in a Lisbon hospital, a cancer victim, showing us various documents (medical reports and a death certificate) attesting to his claim; but, nevertheless, strong rumors have been circulating about the possibility of the employee's having been a murder victim.

Information procured from several police sources and others associated with the Angolan community in Lisbon indicate that Gordurosa appeared to have died from strangulation at the bottom of the Tagus River, under the Almeirim bridge. Yesterday, the judicial police informed us officially that an "investigation" is under way in that police agency of the death of the Angolan citizen, Venancio Luis, which took place "at a Lisbon hospital," while the results of the required autopsy are being awaited.

The fact that this investigation process exists and an autopsy has been requested of the corpse has raised suspicions about the case, and lent some credibility to the rumors of the criminal origin of the death.

Venancio Luis was a long-standing cadre of Holden Roberto's FNLA, who was later "recovered" for the MPLA. He was also security chief for the RPA's former ambassador in Lisbon, Adriano Sebastiao; but he returned to Angola because of differences with the latter regarding the methods used in his defense. Later, he reportedly returned to Portugal at the order of the current diplomatic representative, Mawete Batista.

Meanwhile, the magazine AFRICA CONFIDENCIAL, published in Lisbon, reported Venancio Luis' death in its latest issue, in a section on "espionage in Angola" (see page 10), in which reference was made to various dismissals or transfers of personnel connected with the Angolan Embassy in Lisbon, linking them with "activities in the area of espionage."



In this connection, the ambassador claimed that the aforementioned changes had been due to "corruption problems," attributing to the magazine, with circulation limited to subscribers, the intention of damaging the good relations between Portugal and Angola, with this report.

Mawete Batista said that, "AFRICA CONFIDENCIAL is banned from entering Angola, at a recent decision by the MPLA's 'politburo,'"because it is a publication "subsidized by Americans and South Africans to protect their interests."

The magazine's editor, Xavier de Figueiredo, who worked in Angola, told EXPRESSO that "it repudiates this claim, which is completely groundless and inappropriate." And he gave assurance that the bulletin that he edits "does not publish even 50 percent of what it knows about the activities of the Angolan Embassy in Portugal."

2909

CSO: 3442/22

## BRIEFS

ROSA COUTINHO PROSECUTES MERCENARIES--On Tuesday in a Lisbon court, there will come to trial a suit brought by Coteco (the Rosa Coutinho company) against two Portuguese pilots recruited by it who refused to carry out their mission in Lobito, instead of Luanda. The two pilots, both former members of the military, were recruited by Coteco as airplane and helicopter instructors. According to a report in AFRICA-CONFIDENCIAL, of the 32 Portuguese military men recruited by Coteco who were in Angola (with an average monthly salary of \$2,400), over 20 came into conflict with the Rosa Coutinho company under various circumstances, ranging from material damage to attempted operational involvement. At present, there are only 12 members of the Portuguese military hired by Coteco remaining in Angola. It is noteworthy that the admiral failed to be received in Luanda with the former courtesies, namely, his lodging in an official residence. [Text] [Lisbon SEMANARIO in Portuguese 4 Oct 86 p 64] 2909

CSO: 3442/22

## ITALIAN PAPER DISCUSSES SUPPORT FOR ERITREAN CAUSE

Rome AVANTI! in Italian 29 Oct 86 p 7

[Article by Franco Prosperi: "A Liberation Front White Paper: 'The Eritrean People Ask for Autonomy'"]

[Text] The story of the past 2 years of political activity relating to the Eritrean question has been compiled by the ELF [Eritrean Liberation Front] into an interesting "white paper" that contains abundant documentation of the widespread political will to have the question of the Eritrean people brought up once again--in real and concrete terms--by various political forces in the UN and in the Italian parliament.

The copious documentation relates to actions, data, and events--serious and dramatic events--concerning the populations of the tormented Horn of Africa.

Among the various documents compiled, special mention is due the collection of case histories involving political asylum and flights abroad on the part of Ethiopian officials and civil servants (the most recent case being the amateur soccer team that requested asylum at the UN High Commissioner's office in Cairo) who do not share the political views of the existing pro-communist regime; refuse to tolerate the massive presence of the Russian and Cuban military advisers, and their interference in Ethiopia's internal affairs; disapprove of the misapplication--for military purposes against national liberation movements--of the international aid that has been supplied; and denounce the forced deportation of more than 500,000 Ethiopians in connection with resettlement of the northern territories.

In this regard, the Ethiopian ambassador to Italy's reply to a denunciatory article by Bernard-Henry Levy in IL MESSAGGERO appears ineffectual and not very convincing. Moreover, we have not seen a redistribution of the labor force in connection with the 1984-94 10-year agricultural plan to combat the famine and to halt the process of desertification. Gilles Herzog himself--in EUROPEO--has called it a crazy plan to construct the new Ethiopian man; authoritative international humanitarian organizations have likewise voiced negative opinions.

In glancing through the abundant and well-organized material in the "white paper," one thing that especially stands out is the numerous inquiries--on the part of members of parliament belonging to various groups--concerning specific

matters of a critical and speculative nature. One disquieting fact emerges which should give pause for thought: namely, the clear intent on the part of some high government circles to evade the questions and to say nothing in response. It is a kind of conspiracy of silence that may suggest the hypothesis of the existence of a powerful lobby that favors the existing Ethiopian regime, fashioning political attitudes and decisions which cannot be interpreted as being in accord with a proper policy of noninterference vis-a-vis a foreign government.

The publication as a whole reflects the desire to reopen and reintroduce--in the most appropriate ways and forums--the case of the Eritrean people, while requesting a parliamentary debate in accordance with the people's inalienable right to self-determination: a legitimate aspiration which for more than 40 years has obliged the Eritreans to fight with stubborn tenacity for their own autonomy.

We are convinced that the time has come--and that the international political conditions are present--for an Italian initiative.

Next January, Italy will become a nonpermanent member--for 2 years--of the UN Security Council: a circumstance of great importance that should be utilized to the maximum.

In a recent statement the current minister of foreign affairs envisaged an Italian initiative for a peace conference in connection with the Iran-Iraq conflict; and in Parliament last June he asserted the necessity for compliance with UN Resolution 435 in order to find a political solution in Namibia for the denial of its independence.

As a former colonial power we have the humanitarian and moral duty--inasmuch as the armed Eritrean separatism manifested itself immediately following our defeat in East Africa--to sponsor an initiative that will permit a political solution of the Eritrean problem, mindful of the fact that relations between Eritrea and Ethiopia are based on the famous Federal Resolution 390A/5, approved by the UN in December 1950 and in whose formulation our country also participated.

The present minister of foreign affairs--who is sensitive to Middle Eastern questions--also cannot fail to demonstrate an interest in this serious problem that is tormenting and bloodying the Horn of Africa.

Most opportune indeed, in this connection, are the words spoken by Omar Burg at the recent meeting between the office of the chairman of the socialist group of the Chamber of Deputies and a delegation from the Eritrean Liberation Front. We do not employ terrorism--he said--to make ourselves known and recognized internationally. Precisely for this reason an impenetrable conspiracy of silence is practiced, so as not to draw attention to the enormous difficulties encountered by the Eritrean political refugees, who are employed largely in the labor black market, a kind of geographical racism.

In this respect, it is worthwhile to emphasize the commitment of the socialist members of parliament--a commitment confirmed at the aforementioned meeting by

Deputy Marte Ferrari--to give unconditional support to the Eritrean cause. It is no accident that Deputy Ferrari underscored the necessity for Parliament finally to hold--after many repeated requests--a comprehensive in-depth debate in which each parliamentary group would adopt well-defined policies and actions.

The target date for the near future--in the event this desire to debate persists and prevails--is the vote on ratification of the agreement between our government and the Ethiopian Government regulating certain relations of a financial nature.

This is an important opportunity that should be used, among other things, to clarify a fundamental problem, to wit: Ethiopia cannot alternate freely and easily between political and strategic aid in the context of the Eastern bloc, on the one hand, and massive economic, financial, and food aid from the West, and in particular from Italy through the FAI [Italian Aid Fund].

This is a problem that must be resolved, in the name of clarity and fairness in international relations.

The Eritrean delegation received similar assurances at the meeting with Deputy Spini, who heads the foreign affairs department of the party leadership. On this occasion, attention was also quite properly called to the commitment, the interest, and the sensitivity vis-a-vis the Eritrean cause that have been demonstrated on several occasions--and in various forums--by the party secretary and prime minister, the honorable Bettino Craxi.

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CSO: 3528/24

## RADIO COMMENTARY ON UK, U.S. MOVES AGAINST SYRIA

AB142248 Accra Domestic Service in English 1300 GMT 14 Nov 86

[A.B. Fusenl commentary]

[Text] Progressive and steadfast Syria has followed the Libyan Arab Jamahiriyah as the next target in the imperialist alliance's onslaught to intimidate and liquidate progressive regimes and states all over the world. The British government of Mrs Maragaret Thatcher, which only recently accused Syria of involvement in an attempt to blow up an Israeli airliner in London, has moved with a speed of light to solicit the support of members of the European Community to impose sanctions on Syria. The European Community, at Britain's request and under U.S. pressure, has imposed limited sanctions including a ban on arms sale to Syria, suspension of high-level diplomatic visits to and from Syria, and a curb on Syrian diplomatic activity.

This is but another sinister move in the grand strategy of imperialism to intimidate and subjugate progressive states and popular regimes which refuse to serve imperialism. This move by the British government is both premeditated and preposterous and should be seen as another version of the Reagan administration's policy of disinformation and destabilization of Libya and other progressive countries. It is important, in objectively appraising this latest British move, to pause and ask a few questions. Has the British government produced any concrete evidence implicating Syria in the alleged attempt to blow up the Israeli plane? Has the Syrian government been offered the opportunity to answer these allegations? Has the British government positively exhausted all the normal channels of diplomacy open to it in the peaceful resolution of conflicts as advocated by the United Nations and international law?

It is important to note that Britain, the United States, and other countries in the NATO alliance have a subtle way of coining terms and manipulating events to fall in line with their plans. Take, for example, their definition of terrorism, and one would find that their staunchest allies in the Middle East and Africa, Zionist Israel and racist South Africa, who daily kill, brutalize and terrorize the Palestinians and black people of Africa, are not labeled terrorists, but ridiculously termed as nationalists. On the other hand, the PLO and the ANC, which are fighting to redeem their people from the exploitation and oppression of these evil forces, are regarded as terrorists. So, countries like Syria, Libya, Iran, and so on, which offer support to the

legitimate and just cause of these oppressed people, cannot and should not expect to escape being branded as supporters of international terrorism by these powers.

It is important to note that Britain's attitude toward Syria is clearly one of double standard. What action has Britain taken against Israel for organizing the abduction back to Israel of Mordechai Vanunu, who disclosed that Israel has for the past 20 years been producing nuclear weapons? Did Britain not close down the missions of both Libya and Nigeria for similar offenses? Clearly, diplomacy by these Western countries is becoming devoid of all morality.

/12913

CSO: 3400/479

BRITISH VOLUNTEERS TO INCREASE TECHNICAL AID TO NORTH

Accra GHANAIAIAN TIMES in English 27 Oct 86 p 7

[Text] A British organization, Voluntary Services Overseas (VSO) is to increase its technical assistance in northern Ghana with the provision of more skilled personnel and technical experts in the productive sectors.

In this connection, the VSO has established a full regional office at Tamale to supply adequate skilled manpower and technical expertise to needy areas in the Northern, Upper East and Upper West Regions.

This was announced by the leader of the three-member VSO team, Mr Ken Caldwell, deputy director at the international office in London, which called on the Upper West Regional Secretary, Mr Salifu Bawa Dy-Yakah, at his office at Wa at the weekend.

Mr Caldwell said his organization had identified agriculture, education and rural development as the most vital areas in which it could offer increased technical assistance, adding that the organization had placed its priority in the development of those sectors in the northern part of the country.

He said VSO had so far invested 40 percent of its assistance in education and the remaining 60 percent in the development agricutlure, forestry, fisheries, health and community work.

Briefing the delegation earlier, Mr Dy-Yakah said the Upper West Regional Administration had identified vocational and technical education and general middle-level manpower development as the most needy areas in the region.

The Regional Secretary therefore appealed to the VSO to assist in establishing a technical institution in the region for training of the required manpower to accelerate the development of the region.

/9274

CSO: 3400/485



PAPER LAMBASTS THIRD WORLD'S UN VIETNAM VOTE

Accra GHANAIAN TIMES in English 29 Oct 86 p 2

[Editorial]

[Text] The reasons why Viet-Nam troops are in Kampuchea made the third world UN members' support for last Tuesday's UT decision calling for the Viet-Nameese troops' withdrawal a most ridiculous and self-effacing support. What were the third world countries supporting? The votes they cast in support of the decision is like supporting a call for the withdrawal of Cuban troops from Angola; and the effect of a withdrawal of Viet-Nameese troops from Kampuchea would be like installing a Savimbi regime in Angola. That is to say that in supporting the withdrawal of Viet-Nameese troops, the third world countries had given their backing to an imperialist move to instal a puppet regime in Kampuchea.

A powerful Viet-Nam means a strong base for anti-imperialist [words indistinct] in South-East Asia. So with the end of the US aggression in Viet-Nam and therewith the collapse of the Diem puppet regime, the imperialist forces quickly tried to strengthen their alternative puppet regime in Kampuchea, whose two main tasks were to clamp down on the progressive forces in Kampuchea itself and to provide the base for imperialist destabilization activities against the new revolutionary Viet-Nam government.

Therefore, in terms of Kampuchea's own national interests, the Viet-Nameese presence there in support of the government which has replaced the puppet Pol Pot regime is to ensure the consolidation of Kampuchea's independence under her patriotic nationalist forces in terms of Viet-Nam's own interest, the consolidation of the power of the nationalist forces in Kampuchea means the removal of a serious source of destabilization against her independence and sovereignty.

Viewed from the point of the protection which the Viet-Nameese presence provides for Kampuchea's independence, we have another situation of a third world country acting to secure the stability of another third world country. So we must ask again: To what purpose did the third world countries, the Non-Aligned Movement for that matter, vote for the withdrawal of Viet-Nameese troops from Kampuchea?

## Calamitous Road

The lost-bearing vote last Tuesday is another pointer to the calamitous road which the Non-Aligned Movement (NAM) is taking. The Movement was founded as an anti-imperialist third force, and all of its members attained national independence on the platform of anti-imperialism. Finally the movement proclaimed as its major responsibility the task of securing the political independence and economic liberation of the third world. However, it has become clear that the Movement is in disarray on this responsibility because [words indistinct] in disrupting its solidarity. Muammar Al-Qathafi deplored this disastrous situation when he stated in Harare last September (at the NAM conference) that the Movement has been divided into pro-imperialist and anti-imperialist camps and is doomed to failure in this problem is not resolved.

The Libyan leader told the truth. Some member states of the movement have become such confirmed pro-imperialist puppet regimes that they no more even try to cover up their opposition to the anti-imperialist stand upon which the Non-Aligned Movement was founded. The disaster has gone to the extent that the pro-imperialist voice has become strong enough to prevail on the Movement to reject Nicaragua's request to hold its next conference in Managua as an expression of third world solidarity with the Sandinista struggle against imperialist embattlement!

Another self-effacing vote like last Tuesday's, and there can be no more doubt that the Non-Aligned Movement is better off with the progressive anti-imperialist members breaking away, or with the entire Movement scrapped.

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CSO: 3400/485

ARTISANS BEING RECRUITED FOR LIBYA

Accra GHANAIAN TIMES in English 28 Oct 86 p 5

[Text] A recruitment exercise is currently going on at the Labour Department in Accra for Ghanaian masons, carpenters and other middle-level personnel to be engaged in construction work in Libya.

Mr William H. Yeboah, Secretary for Labour and Social Welfare, told the Ghana News Agency on Friday that the exercise was being carried out under a foreign contract agreement.

He said the recruits would work with a private West German contractor--Karl Gerhard Berikoven of Bilfinger and Berger (Bauaktiengesellschaft) international Division.

Mr Yeboah could however not say for how long the contract would last, but explained that there were 205 job openings.

The Secretary said no provision had as yet been made for remittance of wages and salaries by successful recruits but added that everything would be done to ensure their career welfare.

Mr Yeboah said the Labour Department had learned about the irregular recruitment exercise which was being carried out by agents of the contractor, operating at the Granada Hotel in Accra.

The Labour Department therefore stepped in to regularize the exercise as specified by labour laws, he said, adding that it was illegal for outsiders to recruit Ghanaian labour for jobs without channeling their requests through the appropriate quarters.

He gave the assurance that the appointment of the recruits did not face any threat of undue termination.

The Secretary said he did not know whether there would be any other recruitment programme in the future but added that any such exercise would be publicized.

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CSO: 3400/485

# JEHOVAH'S WITNESS MEMBERS FACE BAN

Accra PEOPLE'S DAILY GRAPHIC in English 29 Oct 86 p 8

[Text]

**MR Emmanuel Bosson, Ho District Secretary, has threatened to ban the activities of the Jehovah's Witness sect in the district if its members continue to refuse to participate in communal labour.**

Mr Bosson gave the warning when he learnt that members of the sect claim it is against their religious belief to take part in self-help projects.

He ordered the area CDR to submit to his office names of such members for appropriate action to be taken.

Mr Bosson advised members of the sect not to use freedom of religion and worship to undermine the government's authority.—GNA.

It will be recalled that of late concern has been expressed by various community leaders about the unco-operative attitudes

of members of the Jehovah's Witness sect in communal labour and clean-up campaigns in some districts, towns and villages.

In August this year, for instance, the "Graphic" reported an incident in which seven pupils of the Sarkodee Local Authority Middle School at Koforidua belonging to the Jehovah's Witness sect were dismissed from the school for refusing to sing the National Anthem and recite the National Pledge.

The action was taken with the approval of the New Juaben District Office of Education.

There have also been mounting complaints about the activities of some religious organisations including the Church of Jesus Christ of Latter Day Saints and World Vision International.

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CSO: 3400/485

PRODUCER PALM FRUIT, OIL PRICES REDUCED

Accra PEOPLE'S DAILY GRAPHIC in English 16 Oct 86 pp 1, 9

[Article by Rosemary Ardayfio]

[Text]

**MR Ibrahim Adam, Under Secretary for Agriculture (Crops), has stated that the decision of the State Oil Palm Plantation (SOPP) to reduce the price of its palm fruits and palm oil is a step in the right direction.**

He noted that it has long been realised by the Ministry of Agriculture that the price of palm oil in the country was unrealistic compared to the outside markets.

The Under Secretary explained that this became known when enquiries were made from Italy, Netherlands, Germany and other European countries on the possibilities of exporting palm oil.

Mr Adam said realising this, the Ministry of Agriculture held a meeting with the Ghana Oil Palm Development Corporation (GOPDC) at Kwae in the Eastern Region and the out-growers.

The meeting, according to him, identified the main problem of the palm oil glut as the cause of the

uncompetitiveness of the price.

He said the Ministry therefore advised the farmers to reduce the price of their produce which have been over priced to make it more competitive.

Since then, Mr Adam pointed out, the ministry has not had any feed-back from the producers.

Mr Adam however stated that Lever Brothers Ghana Limited at Tema has started refining palm oil into edible oil and hoped that this venture will help create a market for the producers.

He was of the opinion that the success of the market strategies of the company's products will determine whether palm oil producers will find an avenue to sell their produce.

Mr Adam further stated that even though the ministry has authorised the Kwae Mill to process the palm fruits of the out-growers, they have not been of much help because the mill is still processing palm fruits from its own plantation.

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CSO , 3400/486

## SHEANUT: HIGH HOPES FOR COCOA ALTERNATIVE

Harare THE FINANCIAL GAZETTE in English 24 Oct 86 p 29

[Text]

**SEEKING alternatives for its cocoa-dominated economy, Ghana has high hopes for the sheanut — a berry-like fruit which yields cooking oil and skin cream.**

But sheanut farmers in the dusty, underdeveloped north have found a profitable alternative to the government's official price — they sell their crops through smugglers who take them to neighbouring Togo.

The Cocoa Board, which is responsible for buying Ghana's sheanuts, pays 1 750 cedis (US\$19,40) for a 62,5kg bag.

Ghana News Agency (GNA) quotes officials in Tamale, a town of 600 000, as saying that sheanut smugglers regularly slip across the border into Togo on remote bush tracks.

**SMUGGLERS**

The smugglers pay up to 2 400 cedis (\$26,70) a bag. In Togo, the bags are sold for convertible CFA francs and the price is equivalent to 11 300 cedis (\$125,60), the official news agency said.

The board bought 40 000 tonnes of sheanuts last season, compared to 25 000 the year before, but the price rise announced for the current crop was a mere 50 cedis, which

growers regarded as a paltry sum, while cocoa producers got a 50% boost.

The nuts, which ripen into a yellow ball before falling off trees, are a traditional crop in West Africa's Sahel and are usually gathered by women who boil and dry them.

Aside from cooking oil, they can be used in a lotion to protect the skin from the dry *Harmattan* wind that blows off the Sahara desert between December and February.

**EXPORT REVENUE**

Officials say the illicit trade to Togo is seriously jeopardising Ghana's efforts to diversify its economy, in which cocoa currently yields more than 60% of export

revenue.

The local branch of the Cocoa Board recently said it was stepping up security along the Togolese border, but officials conceded that smuggling will continue until the board begins paying a more competitive price for sheanuts.

Cocoa smuggling, on the other hand, seems to have declined, apparently because higher official prices have reduced the attraction of illegal trading.

Cocoa beans are grown in Ghana's wetter centre and south and smugglers used to make lucrative runs into both Togo and Ivory Coast, Ghana's western neighbour.

An ambitious cocoa rehabilitation project launched in 1983 with World Bank aid has reversed years of falling output in Ghana, which in the 1960s, was the world's largest producer.

**VOLATILE**

But the Accra government wants to reduce its reliance on the notoriously volatile world cocoa price, and sheanut production was also seen as a way to develop the north, which has few natural resources.

Ironically, sheanut butter can be used as a substitute for cocoa butter in chocolate. Third World cocoa exporters have voiced concern about pressure from British manufacturers to allow more cocoa butter substitutes to be used in the European Economic Community.

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CSO: 3400/486

## GOOD COTTON HARVEST EXPECTED THIS YEAR

Accra PEOPLE'S DAILY GRAPHIC in English 28 Oct 86 pp 8-9

[Text]

MR T. O. Ankrah, acting chief executive of the Ghana Cotton Company Limited (GCCL) has said that the company expects to harvest about 4,200 tonnes of cotton this year from 8,094 hectares of cotton farms.

The acting Chief Executive who was speaking to the Ghana News Agency said this year's cotton season has been very good and suggested that purchasing should begin without much delay to avoid smuggling.

He said that the company would need C400 million to purchase cotton from farmers this season.

Mr Ankrah said at the moment 40 per cent of the harvesting has been done and that by mid-Novemb-

er, 90 per cent would have been harvested.

The acting chief executive said this means cotton cultivation in the country is possible and viable but it is being bogged down by lack of funds.

Mr Ankrah said about C300 million was invested in cotton cultivation

this season.

He commended the Ministry of Agriculture on its assistance and appealed to textile industries to speed up their assistance to the company to enable it to feed them with their raw materials.

The acting chief executive said if the company is

not able to mobilise funds locally to boost production, textile companies would have to import raw cotton which is expensive.

Mr Ankrah said if funds are made available, the company hopes to expand its farm from 8,094 to 10,117 hectares next season.

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CSO: 3400/486

## PROGRAM TO ASSIST CITRUS PRODUCTION DEVELOPED

Accra PEOPLE'S DAILY GRAPHIC in English 29 Oct 86 p 8

[Article by Kweku Tsen]

[Text]

**AN elaborate and comprehensive programme has been drawn up to assist commercial citrus farmers in the country and to stimulate people's interest in the industry.**

Organisations behind the programme are the Cannery Division of the Ghana Industrial Holding Corporation (GIHOC), ASTEK Fruit Processing Factory at Nsawam in the Eastern Region and the Central Regional branch of the Ministry of Agriculture.

This assistance is the outcome of series of meetings between Mr Amoah-Oboh, Central Regional Under Secretary for Agriculture and top officials of

the two factories in response to a "Graphic" survey on the precarious situation facing the industry in the country.

Under the programme, adequate transportation facilities, the main headache facing citrus farmers will be provided to cart fruits from their farm gates to the factories.

According to Mr Amoah-Oboh, his outfit is in close consultation with the Ghana Food Distribution Corporation (GFDC) to release some of its vehicles for the exercise.

At ASTEK, the Director of Operations, Mr M. Adu Donkoh told the "Graphic" that his outfit has already started carting fruits of farmers from the surrounding towns and villages of Nsawam.

He added that his outfit has also acquired a new vehicle that will help cart fruits from parts of the Central and Eastern regions of the country.

On the question of what his outfit is doing to boost the cultivation of fruits, especially grape fruits, Mr

Adu Donkoh said ASTEK has already started buying grape fruits from the University of Ghana Research Farm at Kade for the manufacturing of grape fruit concentrates.

At the GIHOC Cannery Division, the General Manager, Mr Sam K. Enuson in an interview said his company is ever ready to procure any amount of fruits provided it conforms to the specifications of the factory.

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CSO: 3400/486



## BRIEFS

**GDR CEMENT DELIVERIES**--The Ghana National Procurement Agency is to take delivery of 22,300 metric tons of clinker imported from the German Democratic Republic. The importation of clinker is to ease the shortage of cement in the country. This was contained in a release issued and signed by Mr Nabanyin Pratt, Public Relations Manager of the Agency in Accra yesterday. The clinker is currently being discharged at the Takoradi harbour and later at the Tema harbour. The release stated that the consignment which forms part of a total of 250,000 metric tons imported by the GNPA for Ghana Cement Works is estimated at 78,701,865.84 cedis. The clinker is the fourth shipment to arrive in the country and another batch is expected to arrive by the end of October, the release added. [Text] [Accra PEOPLE'S DAILY GRAPHIC in English 16 Oct 86 p 8] /9274

**BUMPER HARVEST FOR UPPER WEST**--A survey conducted by the Ghana News Agency in the Wa, Tumu and Lawra Districts has indicated that farmers in the Upper West Region are expecting a bumper harvest this season. Agricultural experts in the region have agreed that although only 80 percent of the estimated land has actually been cultivated, real crop yields will be more than tripple the estimated production. Both farmers and agricultural extension officials have attributed the expected high results of adequate rain fall, favourable weather conditions, improved techniques adopted by farmers and Extension Services. Main crops, which have already been harvested with very high results, include cotton, early millet, groundnuts, beans and the naga-red variety of sorghum. Crops, which are yet to be harvested, including yams, rice, late millet, naga-white sorghum and cowpeas. [Text] [Accra GHANAIAN TIMES in English 28 Oct 86 p 8] /9274

**RUBBER EXPORTS TO ROMANIA**--The Ghana Rubber Estates Limited (GREL) exported 1,200 metric tonnes of natural rubber to Romania in August, this year, Mr C. K. Nkrumah senior shift supervisor, has said here. Briefing the Western Regional Secretary, Colonel (rtd) W. A. Thompson, during a visit to the factory, Mr Nkrumah said another consignment of 2,000 tonnes was ready for shipment this month. [Excerpt] [Accra GHANAIAN TIMES in English 16 Oct 86 p 8] /9274

CSO: 3400/487

## AUSTRIA'S TRADE ASSISTANCE OUTLINED

Nairobi THE SUNDAY TIMES in English 26 Oct 86 p 15

[Text]

THE year 1986 marks a special event for the Austrian Trade Commission. 30 years ago, in the year 1956, even before the Embassy was established, an Austrian Trade Commissioner's office started its activities in the then East African Community.

In these 30 years, the Austrian Trade commission, located in Nairobi, an A

In these 30 years, the Austrian Trade Commission, located in Nairobi, has not only been a centre of many contacts to foster trade relations between Austrian suppliers and Kenyan customers, but it equally assisted Kenyan companies to start business with Austria.

A regular feature of the Austrian-Kenyan trade relations is the Trade Commissions' participation in the Nairobi International Trade Show. Although this year the PTA-member countries pavilion was the highlight of the Nairobi Show, Austria's traditional pavilion attracted large crowds.

The volume of trade between the two countries in 1985 increased significantly and reached about 145 million US-dollars, of which Austria's exports amounted to roughly 88 million US-dollars. Paper and paper products, pharmaceuticals and their components represent a large part of Austria's exports.

Machineries, for example Steyr tractors, supplied by their agent Bhogal's Garage, wood and metal working machines from Emco, represented by Messrs. Lagutrop Nairobi, are included in these figures. Messrs. Kulima Management Services Nairobi successfully introduced Polyfelt, a geotextile supplied by Chemie Linz AG, to the Kenyan market. Messrs. Kulima also offer another product by Chemie Linz AG, named Fertilinz, a fertilizer pill which is a solution to Coffee growers, if their soil lacks nutrition for the young trees. The Coffee Research Institute recommends its use.

But Austria is not only an exporter of products to Kenya. An Austrian

company is also partner in the Agro Chemical and Food Company (ACFC) Ltd., which produces yeast and power alcohol in Muhoroni. The power alcohol is used to supplement the imported oil products. The brand name Gasohol is now quite popular to the motorists in Kenya.

Kenya's exports to Austria are mainly agricultural products, dominated by coffee and natural fibres. The deficit in the trade balance for Kenya is amply covered by the expenditures of the growing numbers of Austrian tourists, who are regular visitors of Kenya's beautiful beaches and National Parks.

Austria considers that there are ample opportunities to expand trade and economic co-operation with Kenya in many sectors, as it would be in line with the intensification of relations in the political field.

Kenya's admirable economic performance and the growing importance of Kenya in the Preferential Trade Area will be a good basis for common efforts.

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CSO: 3400/481

## MOI ADDRESSES NATION ON KENYATTA DAY, URGES PRODUCTIVITY

Nairobi DAILY NATION in English 21 Oct 86 p 4

[Text of speech by President Daniel arap Moi on the occasion of Kenyatta Day, 20 October 1986 in Nairobi, Kenya]

[Text]

The following is President Moi's speech on the occasion of Kenyatta Day yesterday:

'My dear countrymen, ladies' and gentlemen, Kenyatta Day is an important national occasion we have set aside every year to reflect upon the struggle for our freedom and self-determination.

This day is dedicated to a great son of this land, the founder of our nation, the late Mzee Jomo Kenyatta, who sacrificed his entire life so that we may be free. It is also an occasion for us to re-examine our performance and contribution in building this great nation.

As we celebrate this great day, therefore, we should consider what each one of us can do to improve our well-being. As a start, we must always bear in mind that our economy, and indeed our country, is part of a complex international system with many inter-relationships.

The international economic situation has continued to improve. Our own fiscal and monetary policies have remained geared to the objective of maintaining a steady and non-inflationary growth. As one result of this, consumer prices increased by only 6.6 per cent in the first six months of this year. The effect of this decline in the rate of inflation together with last year's general wage increases, has been to increase real disposable incomes for every household.

Moreover, the fall in the price of crude oil and the rise in the price of coffee have both had a favourable impact on our balance of payments position. However,

it is important for us to understand that these favourable factors are only temporary. We are aware for example, that already the price of crude oil has risen above the levels that prevailed in June and July this year.

### Favourable

Similarly, there are indications that coffee prices will certainly fall back to a lower level when the current shortages stabilise in the near future.

It is, therefore, necessary for us to ensure that the favourable liquidity does not lead to an inflationary spending spree, our economic management policies have to remain cautious and focussed on the objective of steady growth.

Towards that end, the Government is committed to apply the present windfall gain, from reduced crude oil prices and favourable coffee and tea prices, to increase the growth rate of the economy and to sustain the growth thereafter.

As concerns Government expenditure, the budget rationalisation programme we initiated last year is designed to maintain strict control over expenditures. Some of the measures include increasing recurrent expenditures for a number of high priority development projects.

The Government will, as an important part of this effort, increase support to the growth of small-scale industries through the Kenya Industrial Estates. Small-scale industrial units with

innovative projects will be accorded greater support from now. In particular, plans are under way to assist those who have viable projects, but who experience difficulties in raising their equity contributions.

But, as I have constantly reminded Kenyans, the problem of high rate of growth of our population continues to be of great concern because of its high demand on our social and economic development resources.

Although the real rate of growth of the Growth Domestic Product was higher than the population growth rate in 1985, and is expected to remain so in 1986, we should not be complacent in our population planning policies. Thus, although 80 per cent of our women are aware of at least one method of family planning, it is important that we improve on the rate of family planning practices particularly in the rural areas.

### Demand

The rapid growth of population continues to impose a great demand on our limited resources. In the area of education, for instance, my Government has devoted considerable sums of money. Wananchi have also made heavy sacrifices, to put up facilities for the 8-4-4 education system.

I am glad that the construction of Standard Eight classrooms is now virtually complete throughout the country, I wish, however, to appeal once more to all wananchi to continue, in the Harambee spirit, to construct and equip workshops and

home science rooms for primary schools and also science laboratories for secondary schools.

With regard to urban centres, it is clear that population growth has outstepped the provision of educational facilities. It is imperative, therefore, that all those concerned make definite plans well in advance to make these facilities available to all eligible children in the urban area.

The only way we can demonstrate our love for children is to provide them with a sound educational background, as part of the overall effort in preparing them effectively for their nation-building responsibilities in future.

In this connection, local authorities should work out long-term measures to ensure that there will be adequate places for all children in the major towns.

At the same time, I wish to appeal to parents, church organisations and private investors to devote more funds to the construction of educational facilities throughout the country. County councils and other local authorities will, on their part, be required to make land available in their areas for developers to put up educational facilities in order to supplement Government and community efforts.

Under the youth polytechnic training programme, the youth will be trained in economically productive work-groups. Areas such as "Jua Kali" garages and workshops will be given emphasis. This will enable our young people to engage themselves usefully without having to depend on wage employment.

The youth polytechnic graduates will shortly benefit from a loan scheme which has been initiated on a pilot basis by my Government through the Kenya Association of Youth Organisations. This will enable the trained youth to start their own businesses in the rural areas. Those who are responsible for awarding contracts at the district level have an important part to play in support of this effort.

## Supported

As concerns the development of rural areas in general, I am heartened to note that the district focus strategy for rural development is now well understood and supported at the district level.

I urge ministries to continue playing their role in the implementation of this strategy. Ministries are expected to give full support to the district development committees so that

district-specific projects are implemented effectively and on schedule. Similarly, district development committees must ensure that tendering at the district level benefits wananchi in their areas.

Turning now to the need for us to disseminate useful ideas to everyone in the country, I note with satisfaction that currently 85 per cent of our population have access to radio sets. Our main concern now is to improve the quality of reception.

With the completion of the short-wave transmitting station at Koma Rock, more people who are not presently covered effectively by the medium wave services in eastern and central Kenya will now enjoy improved radio reception.

Another major project in information dissemination is the launching of rural newspapers in Kisii, Kericho, Garissa, Mariakani, Machakos, Vihiga and Siaya which has proved very successful. Currently, plans are under way for the next phase which will cover several districts in Rift Valley and Central provinces. Along with the improved reception, wananchi will be more familiar with Government programmes, and we shall be able to foster a better understanding of our country's aspirations through the dissemination of information to the people.

I now wish to turn briefly to some areas of our economy, which have, of late, been performing below expectations.

The country has experienced some drawbacks in the management of some financial institutions which have recently faced operational difficulties. Towards this end, it has been necessary for my Government to intervene in some cases and I am glad to say that this effort has been rewarding especially as concerns the small depositors.

We are now looking for ways and means of improving the financial administration and management of these institutions which are facing problems in order to ensure that innocent people do not become victims of insolvency or bankruptcy of such financial institutions.

## Emphasised

I find it necessary also on this occasion to make some observations on the indigenisation policy which I talked about on Madaraka Day but which appears to have been misunderstood in some quarters.

When I reiterated our desire to place our economy in the hands of indigenous Kenyans, on

Madaraka Day this year, I emphasised that this has always been one of the original objectives of the independent Kenya Government. Right from the outset, Kenyans have welcomed private investors who accept the basic tenets of African Socialism, and the spirit of mutual social responsibility. This position has not changed.

The legal and administrative instruments we have set up to attract and safeguard private investment in the country remain in force and there is no intention to revoke them. Indeed, we shall continue to welcome investors who have a genuine desire to complement Government efforts to uplift the well-being of our people. However, it must be understood by everyone, that when we seek to place the **wealth of this country in the hands of Kenyans, we are not introducing anything unique to this country.**

There is no country anywhere in the world today, which can take pride in placing its economy in the hands of people, other than its own indigenous citizens. Our indigenisation policy is, therefore, an objective which we cannot compromise.

As regards Kenya's effective participation in regional trade in general, and Preferential Trade Area in particular, my Government is committed to work towards ultimately fulfilling the requirements governing the rules of origin, in order for investors to enjoy preferential treatment and hence compete effectively in the regional market.

It is necessary that we encourage greater participation by Kenyans in the manufacturing sector, in particular. Here again, private foreign investors must appreciate that it is in their own interest to devise ways of deriving maximum benefit from the expanded Preferential Trade Area market.

Kenyans will recall that on the occasion of Labour Day this year, I accepted the request by workers to reduce the working week to five days for non-essential type services. As a result of the subsequent misunderstanding which arose, the country witnessed several cases where work was disrupted. I am glad that much of the confusion has now cleared and that employers, workers and trade unions have settled down to this new system.

As I have said on many occasions, the granting of two days of rest in a working week for workers was aimed at re-invigorating the workers so that they increase their productivity.

Today, I wish to reiterate that it will be meaningless for us to

continue with the five-day working week if there is no increase in productivity by those who now enjoy a longer rest period.

Kenyans should bear in mind the fact that when we take into account the public holidays and the two additional days of rest for each week in the year, the average Kenyan worker is able to rest for 114 days out of 365 days in the year.

This is a substantial period of rest which must be compensated for during working days. After all, even when we rest, we still require to feed adequately; we need to clothe ourselves; provide medical care; education facilities and decent houses for our growing population.

In simple terms, all of us need to earn our days of rest by redoubling our effort during working days.

I, therefore, call on all Kenyans in farms, factories, offices and other services to increase their productivity in order to create more wealth and employment opportunities in the country.

This is the only way through which we can hope for greater prosperity and improved lives for all.

My remarks so far have been based on matters that are of concern to us locally within the country. However, as I mentioned earlier today, we are an inseparable part of the world system. For this reason it is important for us to always bear in mind developments that take place elsewhere, and which invariably affect the conduct of our own affairs.

Here in Kenya, we have been steadfast in the desire to pursue a policy of good neighbourliness and peaceful co-existence. This policy remains unchanged. Indeed, we look forward to con-

tinued peace not only in our country, but also in those countries we share boundaries with, and the world at large.

## Denied

It is, therefore, a matter of great concern to us that our brothers and sisters in Namibia and South Africa continue to be denied their rightful share of peace and human dignity. Instead of accepting the bitter truth that apartheid has no place on the face of the earth, the racist regime continues to impose its evil rule through violence.

The Pretoria regime should get the clear message that there is no rule on earth which can survive on violence and repression.

Our brothers and sisters in Namibia and South Africa can continue to count on the support of each and every Kenyan in their just struggle for peace and human dignity. We support the encouraging action being taken by the international community to impose economic sanctions on the racist regime. It is our hope that more determined measures will be pursued to bring apartheid down on its knees.

Finally, my dear countrymen, we must bear in mind that peace and stability will remain the foundation of our prosperity. We have no room for divisive leadership squabbles in Kenya, and this is certainly not the right time for selfish pressure groups to pursue their own interests at the expense of the national good.

Let us, therefore, on this day, resolve to renew our dedication to national unity which, alone, provides the framework for our development, through love, peace and unity.

Thank you. ♪

/9274

CSO: 3400/484

## COMMERCE MINISTER ON INDIGENOUSLY OWNED BUSINESSES

Nairobi THE KENYA TIMES in English 24 Oct 86 p 4

[Text]

INDIGENOUS Kenyans held some 84 per cent of all businesses licensed in the formal sector as of December 1985, an Assistant Minister for Commerce and Industry, MR. WILBERFORCE KISIERO, said.

Kisiero was replying to a question from MR. MARTIN SHIKUKU, (Butere) who wanted to know what percentage of business indigenous people of this country hold. Shikuku also wanted to know what steps the minister intends to take to ensure that trade in this country is controlled and managed by the indigenous Kenyans.

The assistant minister told the House in reply that out of 156,085 formal businesses licensed, 130,966 businesses are owned by indigenous people.

MR. MASHENGU wa

MACHOFI (Wundanyi), on a point of order asked the minister to explain to the House in terms of value and volume held by Kenyans. His question was also echoed by DR. MUKASA MANGO (Busia East), who said the answer must be given in terms of quality and quantity saying that kiosks owned by Kenyans cannot be considered part of the businesses.

Kisiero gave a breakdown of some towns in Kenya. He said in many town, the business is 99 per cent indigenised. He said however, in Nairobi it is 64.98 per cent, while in Kisumu, Bungoma and Mombasa is 74.17 per cent, 73.21 per cent and 55.99 per cent respectively.

An Assistant Minister for Health, MR. HENRY CHEBOIWO, said that his ministry is satisfied with the standard of cleanliness of the premises and compound within the district and provincial commissioner's buildings, Western province.

/9274

CSO: 3400/481

KANU TO WOO FOREIGN INVESTORS

Nairobi THE KENYA TIMES in English 25 Oct 86 p 3

[Article by Jeremiah Aurah]

[Text]

THE Kenya African National Union (Kanu) is soon to embark on an international campaign in which foreign investors will be asked to invest in Kenya, the Kanu Secretary-General, Mr. Burudi Nabwera, disclosed in Kisumu on Thursday night.

The move, he said, was to be backed by the publication of a pamphlet for international distribution inviting investors into the country.

Addressing wananchi at Kisumu Social Hall where he lectured on the "Role of the United Nations in Promoting Peace in the Third World," Nabwera

explained that the plan was aimed at creating more job opportunities for school leavers, whose numbers have continued to increase every year.

The investors, added Nabwera, would be asked to bring in foreign currency while putting up the investments, and wananchi would also be given equal opportunity to compete with the foreigners.

Saying that the government was doing everything possible to help Kenyans succeed in business, Nabwera urged wananchi in Nyanza and Western Provinces to be business-minded instead of leaving trade in the hands of foreigners.

/9274

CSO: 3400/482

## COFFEE FARMERS THREATEN TO WITHHOLD DELIVERIES

Nairobi DAILY NATION in English 25 Oct 86 pp 1, 24

[Article by Mutegi Njau and Samuel Nduati]

[Text]

Coffee farmers have threatened not to deliver the 1986/87 coffee crop to the Kenya Planters Co-operative Union (KPCU) for milling unless the Government withdraws a newly introduced payment system.

The new system, issued recently by the Coffee Board of Kenya, stipulates that farmers will be paid in four equal instalments from the year's pool, the payments to be at pre-determined rates.

Farmers have been getting an initial payment on delivery to the KPCU. Afterwards they are paid milling payments.

The KPCU managing director, Mr Henry Kinyua, yesterday said the KPCU milling schedules may be disrupted if the farmers go ahead with the threat.

At an emotionally charged meeting at Ruiru on Thursday, the farmers — led by the Kenya Coffee Growers Association (KCGA) — passed a resolution not to deliver the 1986/87 crop if the Government goes ahead with the new payment system.

The KPCU estimates that farmers will deliver, if they do, more than 100,000 tonnes of coffee during the next season, worth Sh4 billion.

A spokesman told the *Nation* 40,000 tonnes were expected from the early crop as a result of the current short rains.

He said the projected figure for the main crop — after the heavy rains next March and April — was 70,000 tonnes.

It is expected that the prices

will remain stable at the current prices of £2,800 a tonne.

The new payment system, contained in a circular letter dated October 9, from the CBK, reduced the total number of payments to four during each pool year at pre-determined rates.

The circular letter, signed by Mr I. N. Kiragu for the general manager, said in part: "This is to inform you that it is the wish of the Government that coffee farmers be paid four times during each pool year."

It said the CBK had been directed by the Government to implement the system immediately.

Before the new system was introduced, farmers were paid fully on delivery, or in part up to one to three weeks after delivery.

When coffee is brought to the KPCU mills, farmers receive milling payments. The CBK usually issues cheques to the KPCU for the payments to farmers whose coffee has been milled.

The CBK continues to pay the farmers as the coffee is auctioned during the coffee year to a maximum of six interim payments, a source at the KPCU said.

The Government's directive means that only four payments will be made during the year.

In a press statement yesterday, Mr Kinyua, who is also vice-chairman of the CBK, said the farmers were disappointed that no solution had been found by the Government on farmers'

demands to abolish coffee export tax and the county council cess.

Mr Kinyua said the KPCU was expecting to start accepting deliveries for the 1986/87 coffee year on November 24.

He said the KPCU had worked out milling programmes for the new crop year that ensures smooth movement and adequate supplies to the market.

"Thus we would take advantage of the fairly good prices expected to prevail in the market as a result of shortages in Brazil and other leading coffee producing countries," he said.

Mr Kinyua said he was confident the Government would be in a position to reason out with the coffee farmers and an amicable solution found.

The KCGA on Thursday formed a committee to try to see the Minister for Agriculture, Mr William Odongo Omamo, over the issue. The committee is chaired by the KCGA leader, Mr G. W. Gichuki.

During the Thursday meeting at Ruiru, Mr Kinyua said this was the first time in the history of coffee in Kenya that the CBK has been directed on how to pay farmers.

He said neither the KPCU nor the CBK had been consulted by the Government before the new payment system was introduced.

The CBK general manager, Mr Patrick Katingima, said there was nothing the board could do but implement the Government directive.



## PLANNING MINISTER ON INFLATION, FOOD PRODUCTION, EMPLOYMENT

Nairobi DAILY NATION in English 29 Oct 86 p 3

[Article by Irungu Ndirangu]

[Text]

Kenya's inflation rate is down to six per cent, the Minister for Planning and National Development, Dr Robert Ouko, was told yesterday.

The Director of Statistics at the Central Bureau of Statistics, Mr Kaleb O. Agunda, told the Minister that the inflation rate in the country had fallen from about 22 per cent in 1984 to about six per cent this year.

The Permanent Secretary in the Ministry of Planning and National Development, Mr John Githuku, said he was surprised because, his department had forecast an inflation rate of about 12 per cent this year.

Touring the Central Bureau of Statistics at Herufi House, Nairobi, yesterday, Dr Ouko said the inflation rate showed that Government management programmes for the economy were succeeding and that the prices of food and other commodities had stabilised. He added that with the same amount of income a worker could buy more goods and that the stabilisation of the inflation rate meant people could save and borrow at more predictable rates.

Dr Ouko said the Government was determined to strengthen the planning units in the districts. All districts will have a planning unit consisting of the district development officer, an assistant district

development officer and a statistician whom the Government was in the process of posting.

The Minister said that in future, all districts would be expected to plan their own development strategies before sending these to the headquarters in Nairobi. He said the districts would increasingly be made autonomous except for major consultations.

In the Food Production Monitoring Department, the Minister was told that Kenya would produce about 29 million bags of maize this year compared to 27 million bags last year. The National Cereals and Produce Board may buy up to 12 million bags, he learnt.

Dr Ouko said the Government had decided to have a reserve of 12 million bags. Of these, he said, eight million would be strategic reserves for use only in an emergency. The other four million would be sold and replaced in a revolving manner to keep a certain fund in circulation.

The Minister said the Government would like to allow free movement of foodstuffs across district boundaries but "Kenya will be swept clean of any foodstuffs we may have by entrepreneurs. We are surrounded by food deficit countries and knowing Kenya's entrepreneurial spirit, we shall be clean immediately," he added.

Dr Ouko said the food restrictions sometimes forced prices to rise in food deficit districts while depressing the prices in food surplus districts.

The Minister was told that there are 1.4 million Kenyans in wage employment today, a rise of four per cent over last year's figure.

Told that there are now about 200,000 Kenyans directly employed in the informal sector, the Minister retorted that the informal sector had become such big business that the Government had decided to change its name to something more positive.

He said the Government realised that the great hope for employment creation lay in the informal sector and it was for this reason that the Government was directly encouraging its growth.

Recalling that the President had ordered the opening of *Jua Kali* garages in Kisumu, he reported that the local District Commissioner and the Kisumu Mayor had already identified a plot on which to build the garages.

/9274

CSO: 3400/481

## BRIEFS

**NAVAL VISIT TO SEYCHELLES**--Two missile-equipped Kenyan navy ships, the Jamhuri and the Harambe, have made a visit to the Seychelles, spending five days in the port of Victoria. Apart from the Indian navy, it is exceedingly rare for ships of other countries in the region to call at the Seychelles. The two Kenyan ships are also expected to visit Port Louis, Mauritius, and Antseranana, Madagascar. [Text] [Paris THE INDIAN OCEAN NEWSLETTER in English 25 Oct 86 p 2] /9274

**BADEA ROAD CONSTRUCTION ASSISTANCE**--The drive to upgrade existing roadways and extend road routes in Kenya is being assisted by the Arab Bank for Economic Development in Africa (Badea). The president of Badea, Dr Chedly Ayari, and Kenya's assistant Minister for Finance, Mr J. N. Michuki, recently signed a loan agreement whereby the bank will lend US\$6.8 million for the part-construction of a 323 kilometre road from Thika to Garissa. The Badea loan is repayable in 17 years, including a four-year grace period, and the interest rate is at 6% per annum. This contribution by the bank will cover almost one-fifth of the total estimated cost of the project, comprising the construction of a 125km road section between Kalanga and Laga Hamaris which is one of three components of the planned Thika-Garissa road. On completion the route will form an international highway linking Kenya and Somalia. Apart from opening up agricultural, industrial and tourism potential in the area the development of the highway is seen as enhancing economic cooperation and integrating commercial, social and cultural activities between Kenya and Somalia. The present loan brings to five operations worth some US\$30.42 million in aid which Badea has extended to Kenya. During the period 1974 to 1985 Kenya has received total Arab capital aid of US\$467.9 million. [Text] [Harare THE FINANCIAL GAZETTE in English 24 Oct 86 p 7] /9274

**EEC FOOD AID**--The European Economic Commission is to provide 11,000 tons of food to Kenya as part of its 1986 Food Aid programme. The decision to provide the food aid was reached on Monday this week. The food aid is valued at about shs. 27 million and the wheat will be given to the National Cereals and Produce Board for sale to the millers with the proceeds of the sale devoted to the finance of long-term development projects aimed to increase Kenya's food self-sufficiency. [Text] [Article by Willys Otieno] [Nairobi THE KENYA TIMES in English 31 Oct 86 p 3] /9274

CSO: 3400/483

## LIBERIA

### BRIEFS

'NORMAL' ACTIVITIES CONTINUED--The National Muslim Council of Liberia says it never banned the activities of the Repentant Muslims of Liberia headed by (Abdullah Tunis). According to LINA [LIBERIAN NEWS AGENCY] quoting a National Muslim Council press release, the council fixes the standard of propagation, administration of oath on the Holy Koran by the Repentant Muslims of Liberia as a means of repenting. [sentence as heard] The council further said its decision was taken pending the submission of the council's findings and recommendations to the vice president of Liberia. LINA further said a complaint has been filed against the Repentant Muslims of Liberia by (Tuwah) district Muslim organization chairman Alhaji Mohamed Sherif. The council said the suspension of the Repentant Muslims of Liberia's activities does not include normal religious activities and said Alhaji Sherif and his group were warned against all acts that may provoke and disrupt Imam (Tunis) and his Repentant Muslims. [Text] [Monrovia Domestic Service in English 1200 GMT 14 Nov 86 AB] /12913

CSO: 3400/479

## NORTHERN LINK GEARS UP TO PROVIDE ALTERNATE TRADE ROUTE

London AED in English 8 Nov 86 p 26

[Text] Companies have until 6 February 1987 to submit tenders for reconstruction of the 51-kilometre road between Karonga in the north and Ibanda, just over the border in Tanzania (see TENDERS). Work which involves bitumenising some sections of the existing gravel road and realigning others, is expected to be financed by the EEC.

The project forms part of the \$100 million northern corridor transport scheme which aims to give Malawi an alternative trade outlet through Tanzania. The scheme, co-ordinated by the World Bank, involves upgrading Malawi's lake ports and shipping fleet, developing freight and fuel handling facilities at Dar es Salaam and Mbeya in Tanzania, and completion of Malawi's main north-south road link running parallel to Lake Tanganyika. The latter includes upgrading the 144-kilometre Salima to Balaka section, as well as the Karonga-Ibanda-Mbeya link into Tanzania.

A World Bank team was in Blantyre in late October for final negotiations with the government, following completion of an economic and technical study of the scheme by West Germany's **Gitec** (AED 10:5:86). A bank representative says all the major co-financing elements of the scheme are in place, but full mobilisation of the project will only begin in mid-1987 after the funding agreements have been signed. The latter depends on completion of an agreement between Malawi and

Tanzania covering customs, handling and general freight transit arrangements, which is expected to be in place by the end of 1986.

Apart from the Karonga-Ibanda link, likely to cost some \$22 million, the EEC is also looking at funding — in co-operation with the Netherlands — the \$13 million Ibanda-Mbeya stretch of the road. The US Agency for International Development (USAID) is providing \$10.5 million, which will be used to provide gantry cranes for handling containers at Mbeya and Dar, and improving facilities at the lake ports. The UK, which is considering funding of \$11.8 million, will also be involved in improving freight facilities.

West Germany's Kreditanstalt fuer Wiederaufbau (KfW) is expected to agree some DM 30 million (\$14.8 million), of which part will be used for a new lake steamer, part to improve fuel storage at Mbeya and Dar and the remainder to help finance the upgrading of the Salima to Balaka road.

Tenders for this were issued in late October and are due in by 28 November (AED 25:10:86). Co-financing for this part of the project is coming from the \$14 million the World Bank is providing. The remainder of the bank funds will be used for technical and specialist assistance to co-ordinate the corridor.

If work on the scheme begins as expected by July-August 1987, it should be completed by late 1989, the bank representative says.

/12828

CSO: 3400/493

U.S. RIGHT, LEFT VIEWS ON NATION CARICATURIZED

Johannesburg BUSINESS DAY in English 4 Nov 86 p 6

[Commentary by Simon Barber: "America's Right Now Puts the Boot into Mozambique"]

[Text]

**C**AESAR DIVIDED Gaul into three bits. Southern Africa is divided by his pale imitators in Washington into two — one ruled by tyrannous white neo-Nazis, the other by incompetent, venal and murderous black Marxists.

Liberal opinion is bent on sticking it to the former, conservative to the latter. While these viewpoints have the virtue of making American policy evenhanded, they lack, shall we say, a certain subtlety. More to the point, they are making it almost certain that for the foreseeable future Washington will have nothing better to offer the region's people than the bloodiness that engulfs them now.

The Left, having had its way on the part it finds interesting, is temporarily demobilised, being — as a recent State Department memo to President Reagan felicitously analogised — in a state of "post-coital tristesse".

Energised by defeat, its favourite turn of events, the Right is freshly rampant and ready for mischief. The device upon its banner is unusually strange, even by its own habitually odd standards. The new cause to be championed is Renamo, the authentic voice of freedom and the American way in Mozambique.

**O**ver at the Heritage Foundation and other places where conservative foreign policy analysts purport to think, the faithful are busily learning how to pronounce Afonso Dhlakama without putting an "I" in his Christian name.

Their task, given that many of their number still verbally confuse the head of Inkatha with an enervating African disease and have only just discovered that one "Dr Sabimini" is not the last best hope of Angola, is an arduous one — the more so because, in Dhlakama's case, no one can even put a face to the name.

At least Mozambique is memorable. It's a popular flavour of ice cream sold at Bob's, a parlour next to Heritage's headquarters where Renamo's man in Washington, Lius Serapiao, hangs his shingle. Perhaps he slips next door to eat his country's namesake.

Actually, and to complicate matters rather further than mere pronunciation, there is some argument as to whether Serapiao's hem belongs to the genuine raiment, if indeed such a thing exists.

Let us not not forget Artur Vilankulu and the Friends of Mozambique, whose sponsor, the conservative Action Foundation, claims Serapiao is a "liar and a fraud".

Since the credibility of both rests upon their own testimony and upon the alleged utterances of Dhlakama and his putative lieutenants, the dispute is not easily resolved.

All that can be said is that Serapiao, a professor at Howard University in Washington, does have the greater air of artistic verisimilitude, having registered himself with the Justice Department as Renamo's lobbyist.

It is a sparse filling, giving Gorongosa as the employer's address, but little more. Money is not mentioned, suggesting that the registrant is not paid and therefore not, in any provable sense, an agent.

In fact, the only proof the documents offer that Serapiao is who he says he is is an appended newspaper clipping that describes his quarrel with Vilankulu.

Perhaps it is churlish to seek objective fact when the real issue is fighting communists who, we all know, are systemic fabricators. Our lies are axiomatically better than their lies, also truer. That, at any rate, seems to be the operating principle of the Right when it comes to Mozambique.

**R**eading the *Washington Times*, the chief shop window for untrammelled cold-warriorism, one comes away with the impression that Renamo is a government in waiting which already controls vast tracts of territory.

The only reason that the happy accident of Samora Machel's death has not translated Mozambique into a sunlit upland of Jeffersonian democracy, it is inferred, is that the demonic crypto-Marxists in the State Department have poured their poison in Ronald Reagan's ear. Here is a sample, this one written by columnist Ralph de Toledano, a new Africa hand.

"If the deaths in a plane crash of President Samora Machel and other senior officials of Mozambique's communist government lead to its overthrow by Renamo, the pro-Western forces, it will come as a shattering blow to Assistant Secretary of State for Africa Chester Crocker ...

"The Mozambican communists have barely held on to power only because of the muscle supplied by 10 000 troops from Zimbabwe, 2 000 Cubans, 1 000 Soviets, 500 East Germans and thousands of other personnel from the Soviet bloc.

**T**he Mozambican army is equipped with Soviet MiG-17s and MiG-21s, AK-47 rifles, Soviet helicopter gunships, T-55 tanks, etc, etc — costing the Kremlin some US\$1 000m. The troops sent in by Marxist President Robert Mugabe, however, are bogged down in what is being described as a 'Zimbabwean Vietnam'."

News of the Nkomati Accord, tattered though it might latterly be, has evidently not reached De Toledano, nor the fact that Machel, a rarity among his fellow Front-line leaders, did not devote his final years to rhetorically trashing either the West or SA, nor even that some quite respectable non-wimp Europeans, chiefly the British, are trying to help Maputo out of the horrendous mess it has quite openly admitted it created for itself.

No, what matters to De Toledano are the lovingly listed hardware and the commie personnel who always seem to come in such nice round numbers. Plus the fact that this is a great opportunity for the so-called Reagan Doctrine to make the Soviets and their supposed allies suffer what America suffered in Indo-China.

It would be interesting to know where the author and his fellow believers, for such they are, utterly bereft of empirical data, get their exciting numbers and their confident assumptions that Renamo runs most of the country.

Certainly it is not American intelligence, which on the subject of Mozambique is all but non-existent. Rather more likely, the ultimate source is a mixture of the fervid Serapiao/Vilankulu imagination and General Magnus Malan and his boys, all of whom are far too interested to be believed by any but the most prone ears.

Fortunately, Renamo's warlords are not going to get accorded the

treatment Dr Jonas Savimbi received here. Not only are they incredible and, as far as can be seen through the shadows, profoundly unattractive, they are fighting for control of a country that not even the Soviets care much about.

The East bloc numbers may be round, but they are insufficiently so. A lot more zeros will be needed before real American interest can be aroused. More importantly, Renamo's soi-disant foreign minister Artur da Fonseca was recently granted an audience with Patrick Buchanan at the White House.

In Buchanan's case, as Pretoria has discovered to its cost, not everything propinques likes propinquity. Close he may be to the President, but he is nonetheless a disaster to have in your corner.

**L**ike so many of his conservative pals, he gets his jollies from losing. It reinforces his sense of justification. The tragedy is that, though he and his fellow believers will be able to do nothing to promote Renamo's victory, they will also ensure that no one else — least of all Mozambique's brutalised, displaced and starving millions — wins either. They will do this, and they already are, by attempting to harass and block even the most rudimentary assistance to Maputo — let alone the State Department's mooted US\$500m regional aid package.

The Left, having attempted to cut the underpinnings from Southern Africa's economic future with sanctions, enter the Right to put the boot in by guaranteeing a state of permanent war.

They have all but achieved this in Angola. Mozambique is next.

/13046

CSO: 3400/447

WEATHER RADAR TO AID NAVIGATION: SOVIET COOPERATION CITED

Maputo NOTICIAS in Portuguese 18 Oct 86 p 3

[Text] Both air and sea navigation in Sofala and a limited area along the Mozambique Channel was upgraded recently as a weather radar newly installed in the city of Beira was placed in service. Engineer Sergio Ferreira, director of Mozambican Weather Services, said that the main purpose of the new facility is currently to detect bad weather conditions within a 300-km radius and thus prevent accidents.

The unit is the first and only one of its kind in Mozambique for preventing air and sea accidents in the Channel due to bad weather, and in the not-too-distant future it will become an extremely important agricultural aid by predicting rainfall amounts in the area within its range.

According to Ferreira, when the radar unit is fully operational, it will be capable of measuring the density of water droplets in clouds and thus predicting rainfall amounts in a given area within its range. At the same time, it will provide a much larger range than is currently available to monitor problems in the Mozambique Channel and thus prevent accidents caused by bad weather.

Ferreira provided this information in an exclusive interview with NOTICIAS, in which he said that cooperation between our country and the Soviet Union has produced remarkable results in the meteorological area. In fact, Sunday morning the 10th anniversary of the signing of the cooperative agreement between the two countries will be marked. A meeting will take place today between Soviet specialists and Mozambican workers in the field of meteorology.

Cooperation between Mozambique and the Soviet Union in this area encompasses several distinct areas, the first of which is professional training, which involves exchanging technicians and training Mozambicans in the Soviet Union. Under this agreement, five Mozambicans are now in Moscow: two are taking advanced meteorology courses and three are taking intermediate courses.

When the agreement was signed in 1976, the fields of cooperation envisioned were weather predicting, radiation, instrumentation maintenance, geophysics and seismology, but these were later expanded to include research and services funded by the Voluntary Program for Cooperation (VPC) financed by the World Meteorological Organization.



To date, assistance has included meteorological telecommunications and supplies, paper, transportation, and vehicles to collect data and perform other field services.

Most recently, the director of Mozambican Weather Services went to the Soviet Union at the invitation of state agencies in this field. Ferreira said that he initialed a document on the trip in which both parties reaffirmed their desire to continue the current work program, which involves the performance of services, research and professional training.

In the same document, Mozambique and the Soviet Union also stated their interest in formalizing a new cooperative program for exchanging information and technicians and performing meteorological studies and research.

In the intermediate phase, according to Ferreira, the cooperative programs will include the study of tropical depressions and cyclones identical to programs already established by the Soviet Union in Cuba and Vietnam, in which Soviet technicians are assigned to these countries to carry out detailed studies and research into these natural phenomena.

In this regard, if results obtained from the weather radar at Beira turn out to be helpful and necessary, and personnel training proceeds at the pace planned (to produce as many Mozambican weather specialists as possible), our country will acquire and install two more similar radar units in the South and the North to provide complete coverage of the country, which will provide accurate monitoring and warning of natural catastrophes.

Ferreira stated that everything will also depend on our economic growth, because these units are extremely expensive, although they provide invaluable aid for agriculture and air and sea navigation. Several Soviet specialists are now at work in the country under the auspices of this cooperative agreement between Mozambique and the Soviet Union. Another group is scheduled to arrive in the first half of 1987 to place the Beira radar unit in full service.

8844

CSO: 3442/28

CHISSANO REPORTEDLY FAVORS USE OF CUBAN TROOPS

Johannesburg THE CITIZEN in English 5 Nov 86 p 8

[Text] LISBON. — Mozambican rebels said yesterday there were growing indications Cuba was preparing to send combat troops to Mozambique to fight alongside government soldiers against their movement.

The Mozambique National Resistance said the country's new President, former Foreign Minister Maj Gen Joaquim Chissano, was more disposed to such a development than his late predecessor Pres Samora Machel.

The rebels' Foreign Affairs spokesman Mr Arthur Janeiro da Fonseca said in Lisbon "indications have accumulated over the past few days that Cuban troops could shortly join the dozens of Cuban military advisers" in Mozambique. He did not say what the indications were.

In a separate statement, MNR European spokesman Mr Paulo Oliveira said Pres Machel was opposed to the idea of a "massive intervention" of foreign troops in Mozambique but Pres Chissano was "more receptive" to such a move.

Cuban and other Communist bloc advisers

work in Mozambique but the government also receives military assistance and training from Western countries, such as Britain, with which Pres Machel sought to strengthen ties.

The rebels said the involvement of Cuban troops in Mozambique's guerrilla war would further destabilise Southern Africa and could lead Mozambique into an armed confrontation with other countries.

This appeared to be a reference to South Africa that strongly opposes the presence of an estimated 30 000 Cuban soldiers in Angola.

Zimbabwe, Zambia and Tanzania, other majority-ruled neighbours of South Africa, reportedly have sent troops to Mozambique to fight the MNR whose nine-year campaign to overthrow the Marxist government has crippled the economy, disrupted vital transport routes and aggravated famine.

The rebels claimed Tanzania sent 5 000 more soldiers to Mozambique in the days following the death of Machel.

The rebels said the choice of Pres Chissano to succeed Machel was

replacing "one dictator with another" and vowed to step up their guerrilla campaign.

Pres Chissano was selected as President on Monday by the central committee of the ruling Frelimo Party. He said his government's first priority would be victory over the rebels.

The MNR said yesterday that Pres Chissano, along with the other leaders of Frelimo, was "entirely responsible for the terrible situation in Mozambique today".

Mr Oliveira said the rebels disagreed with independent observers who described Pres Chissano as a pragmatic moderate who would continue Machel's policy of bringing Mozambique closer to the West.

He said the new President had opposed the signing of a 1984 non-aggression pact between Mozambique and South Africa and, as Foreign Minister, had been principally responsible for strengthening ties with Soviet bloc countries.

Mr Oliveira claimed Pres Chissano ordered the public execution by firing squad of seven suspected rebels without trial in 1982 in Gaza province, 100 km north of the capital, Maputo.

BRITISH MILITARY ATTACHE URGES IMPROVED LOGISTICAL SUPPORT

Harare THE FINANCIAL GAZETTE in English 24 Oct 86 p 11

[Text]

LOGISTIC support for soldiers of the Mozambican national army fighting MNR bandits is "in a desperate state" and is in serious need of improvement if the foreign assistance being given — such as the equipment and training being supplied by the British — is to be of any significance.

This was said by Colonel Mike Bowden, the British military attaché to Mozambique, Zimbabwe and Botswana, in an interview with the *Gazette* following the announcement last week that the British firm of Hall and Watts (Defence Sales) Ltd, is to supply Mozambique with £1.6 million worth of equipment and training.

"I don't have any illusions that all the assistance being given to Mozambique will enable them to win in the short term", he said. "They just have to improve their logistic support, which is in a desperate state.

"You cannot expect soldiers, however well-trained, to continue with poor equipment and a lack of simple necessities like boots, food and pay. There is the need for proper support, for the soldiers to win the hearts and minds of the people, and to instill in them the will-power to hold any area they take".

Colonel Bowden said that British military interest in this region is aimed at "building for the future" in the training of Mozambican soldiers, to bring peace and stability not only to that country but throughout southern Africa.

Reiterating an earlier denial that his government had anything to do with the £1.6 million equipment and training contract won by Hall and Watts, he said however that "as the defence attaché in the British embassy in Maputo, I was told that they (the Mozambicans) were planning special training for a force to help protect the Nacala railway line and were to buy equipment for it.

"I advised them that they could get a better deal by going through an agency to procure all the different types of equipment and arrange for the training. I was worried that they were going to just fritter money away, buying penny packages here, there and everywhere, and buying equipment not compatible with that of the rest of their army."

"Hall and Watts sent their people to Maputo for discussions with officials, including the president. I was there, as the president's advisor, much as in this country I am Zimbabwe's advisor with regard to

buying British. The equipment is arriving in Mozambique now, and the training has already started."

In a trilateral agreement between the governments of Zimbabwe, Mozambique and Britain, the British are currently training groups of up to 60 young Mozambican army officers in Nyanga, in basic military skills. The aim, Colonel Bowden said, is to get them to the stage, in 12 weeks, where they are capable of commanding a platoon.

"Some fail and some are good enough to go on to command a company", he said. "The courses have generally been quite successful, with a reasonable pass rate of about two-thirds. The third group is here now".

Colonel Bowden described himself as a "westerner" in Mozambique (compared with the 800 or so Soviet advisers in that country), and thus "while they are beginning to trust me more and more, it is still not easy to get to know what happens: The first group of officers we trained should be in Tete Province, being trained further in one of the Zimbabwean training camps; and the second group should be in the Chimoio area of Manica province. The third group will pass out just before Christmas".

/13046

CSO: 3400/447

RSA'S MALAN SAID TO BE PREPARING 'GORDIAN KNOT' AGAINST REGION

Maputo NOTICIAS in Portuguese 10 Nov 86 p 1

[Commentary by Carlos Cardoso of AIM]

[Text] In May 1970, the Portuguese colonial army launched its largest operation ever in Mozambique: 50,000 troops (including special units) attacked FRELIMO, particularly in Cabo Delgado Province, bordering Tanzania.

The operation had the code name "Gordian Knot."

Looking back at those days, one crucial point must be considered. Another operation had been launched slightly over a year before. On 3 February 1969, the founder and president of FRELIMO, Eduardo Mondlane, died, killed by a made-to-order bomb sent by agents of colonialism.

The "Gordian Knot" did not follow immediately after Mondlane's murder. Why?

The colonial authorities were hoping that, without Mondlane, the serious contradictions among the members of the Front's Directorate at that time would create a situation of such internal instability that FRELIMO would disintegrate into small, inconsequential factions.

This did not happen. The serious contradictions and splits that existed did not cause FRELIMO to collapse. Having drawn this conclusion, General Kaulza de Arriaga and the other colonial military chiefs triggered the "Gordian Knot."

At present, Mozambicans view the South African defense minister, Gen Magnus Malan, as the South African Kaulza de Arriaga. And they wonder: could Malan be preparing his own "Gordian Knot" against Mozambique?

There are disturbing indications that Mozambique will still have to undergo a "Gordian Knot" from Malan.

President Samora Machel died on 19 October. The news was still stunning the world, and the South African news organs closest to Pieter Botha's government launched a genuine campaign concerning a possible "power struggle" taking shape among the members of the FRELIMO Directorate. It was an attempt to predict the desires of the Pretoria authorities as a reality.

The replacement of Samora Machel by Joaquim Chissano took place quickly after the unfortunate president's funeral. And the FRELIMO Central Committee elected Chissano by acclamation. This will surely worry the "apartheid" militarist faction. This and another factor: the level of organization and mobilization among the party, state, and unofficial institutions between Samora's death and his funeral was notable, on all levels. Even considering the solidary aid from Angola, Zimbabwe, and other countries, few states, under Mozambique's extremely difficult circumstances, have succeeded in doing what Mozambique did: properly receiving 180 delegations, including 16 heads of state or government.

Malan and the other military chiefs in Pretoria will add other considerations to the rapid and non-turbulent succession of Samora, namely, whether there will be a continuation of the work begun by Samora to gear the Armed Forces of Mozambique (FPLM) to the present phase of battle. If Pretoria feels that this work is continuing and bringing results, Malan will surely consider escalating the aggression.

The death of Samora Machel was preceded by an entire campaign directed by Malan against him, and by another phenomenon: At the end of September, just when the Malawi envoy, John Tembo, was in Maputo, the South African military chiefs triggered a genuine invasion of Zambezia and Tete Provinces by thousands of armed bandits coming from Malawi.

In view of the intensity with which the Front Line sent its ultimatum to Banda on 11 September in Blantyre, Pretoria acted.

From the reports originating in those two provinces and in Sofala, one can infer that there are two intentions in Pretoria's action: on the one hand, attempting to maintain Malawi as its spearhead in the heart of southern Africa (the bandits are still coming from there and returning there when they have to retreat); and, on the other hand, Pretoria is attempting to create bases for the bandits in the central and northern zones of Mozambique, with a system of connections to the sea, in order to ensure in the future a maritime route for supplying its army of bandits with arms and ammunition.

If Malan does not succeed in doing this, he will head toward the "Gordian Knot": a direct attack by his armed forces, on a large scale, against southern Mozambique, combining with this some contingents from Malawi, in northern Mozambique.

The "Casa Banana" (the armed bandits' main base in the district of Gorongosa) was taken by combined Mozambican-Zimbabwean forces in 1985. Malawi, already used previously as a springboard for bandit attacks against Mozambique, has emerged as a second "Casa Banana." The third one, for Pretoria, is still a plan: along the Zambeze, with a quarantined area of bases and camps in the entire north central zone.

Just as had occurred with Kaulza de Arriaga's "Gordian Knot," Malan has already launched preliminary operations. South African special forces, normally used in operations involving rapid intervention, are concentrated along the South

African border with the Mozambican provinces of Maputo and Gaza. If they should be used in southern Mozambique within the next few weeks, it is to be assumed that Pretoria's tactical objective is to prevent the armed forces of Mozambique and Zimbabwe from concentrating on the operations in Sofala, Tete, and Zambezia, so as to consolidate the bandits' positions in that area; and then Pretoria could wash its hands of Malawi.

Another major factor is the series of threats from Malan since the death of Samora Machel, some of which have been aimed at Zambia and Zimbabwe. They are threats which are completely consistent with the widespread destabilization planned by Malan as a prelude to his "Gordian Knot."

At this point, it is important to mention two things. On the one hand, the fact that South Africa is training Zambian armed bandits in Namibia to infiltrate Zambia, primarily from the UNITA bases in Angola, is by now public knowledge. On the other, reports not yet confirmed cite the presence of 5,000 Zimbabwean "dissidents" in northern Transvaal, ready to enter Zimbabwe. It may be a means of drawing Zimbabwean troops outside of the area of operations in Mozambique.

Therefore, a South African "Gordian Knot," although aimed fundamentally against Mozambique, would include lateral operations in several other countries of southern Africa.

As I remarked at the beginning, Kaulza's "Gordian Knot" was the largest colonial military operation in Mozambique. It was also the beginning of the end of Portuguese colonialism. Surrounded, FRELIMO entered combat with a vitality never before shown.

One day, not many years ago, a FRELIMO veteran told us that it was the "Gordian Knot" that gave the FRELIMO commanders the necessary fighting spirit to take on the highly trained special units of the Portuguese Army.

He claimed that, until the "Gordian Knot," many commanders were always thinking of one thing: They wanted to see the FRELIMO flag put up on the pole in Lourenco Marques and, hence, they did not do everything that they could have in the battles. Once surrounded, and without any chances of escaping, they revealed a courage and combativeness that amazed both themselves and the Portuguese. The essence of that time is being repeated today.

And Malan has already succeeded in doing two things that are very unfavorable for him: Today, the Front Line's unity regarding Mozambique is being demonstrated with an intensity never before observed, and there are several countries ready to come to the aid of the Front Line if it should prove necessary.

For the present, Samora Machel's death appears to have put an end to some obstacles of a political nature in the area: it was a Zimbabwean delegation, headed by the vice prime minister, Simon Muzenda, and not a Mozambican

delegation, which went to Moscow after Samora's funeral. There is an essential strategic reason for a change of alliances: The future of all of southern Africa is at stake in Mozambique. This being the case, no Front Line country will fail to accept military backing owing to the front's ideological hue.

There appear to be two ways of dealing with Malan's plans.

On the one hand, the unity of the Front Line armies, possibly backed outside of the region by the USSR and India; or else, the West (particularly the U.S.) will decide for once and for all to check Malan's military adventures, either unequivocally threatening the South African Government, or starting a military blockade against South Africa.

We are certain about one thing: Samora Machel's death was not Pretoria's end goal. It was, indeed, a crucial element in a more extensive plan for widespread destabilization in the area which would facilitate its political disintegration. Once disintegrated, the area would be "ready" for Malan to enter with his army as a "peace-making" force.

In previous articles, we have written that the political power base of Malan and the other South African military chiefs is the destabilization of the area's countries. Without the command of armies of bandits, those generals would lose political power in Pretoria, and would be left politically unemployed.

Hence, following their logic, it is necessary to maintain a permanent cordon of destabilization inside and outside of South Africa, where the future army of armed bandits consisting of "vigilantes," a unit of brutal police, and the military units of the "Inkhata" (Gatsha Buthelez) is being built.

To keep up this destabilization, Malan and his colleagues must eliminate all the leaders who are factors for stability (days before the death of Samora Machel, there was a rumor circulating that he had already died, and, at the same time, a South African commando group was attempting to kill Mugabe).

In view of this destabilization logic, and in view of the fact that Samora Machel is dead, it is only logical for the world to wonder what is going to happen to Nelson Mandela.

2909

CSO: 3442/37

GAZA GOVERNOR ACCUSES RSA OF CAUSING UNEMPLOYMENT

Maputo NOTICIAS in Portuguese 14 Oct 86 p 3

[Article by Bento Niquice, Xai-Xai correspondent: "Gaza Governor visiting Wenela Accuses RSA of Fomenting Unemployment in Our Country"]

[Text] Gaza Governor Francisco Pateguana accused South Africa of fomenting unemployment in Mozambique. The governor claimed that by recruiting, training, financing and smuggling armed bandits into Mozambique where these criminals destroy schools, hospitals, production units and other facilities employing hundreds of Mozambicans, South Africa has become the "main factor responsible for the unemployment now being experienced in our country."

Pateguana made the accusation in a speech delivered during a visit to Wenela in Xai-Xai in a series of trips he has been making to some sectors of this city in order to acquaint himself better with events and see how established programs are being implemented.

On the same day of the Wenela visit, Pateguana also visited the Provincial Labor Office and the Payment Office, which pays the salary differential to Mozambican miners returning from South Africa.

In Wenela, Governor Pateguana was given a detailed briefing on the procedure used to recruit labor for South African mines.

He then toured the various facilities: the food warehouse, the dormitories and the Recruiting Department.

A welcome statement was then read to Governor Pateguana on the occasion of his working visit and the sum of 4,000 meticals was given to support the second general elections now under way in Mozambique.

"The elections are a high point in our people's reaffirmation of their determination to wipe out, once and for all, the armed banditry that is sowing panic and terror in our country," said the message.

In a conversation with some workers, Pateguana encouraged them to be vigilant, reminding them that it is in the land of apartheid where the armed bandits causing distress in our country are recruited, trained and armed.

"If you are not vigilant or fail to keep your dignity as honest Mozambicans, you will be recruited to murder your own brothers," the governor stressed.



In a meeting with workers from Wenela de Xai-Xai only, Governor Pateguana deplored the fact that some connive with others linked to sectors in Wenela to demand material goods from the citizenry in order to get a labor contract to work in South Africa.

"One of these cases has come to my attention. We have already given orders to take the proper measures," said Pateguana, giving no further details about the case.

8844

CSO: 3442/28

SOUTHERN PROVINCES TO BENEFIT FROM ITALIAN HAND PUMPS

Maputo NOTICIAS in Portuguese 18 Oct 86 p 3

[Text] Four hundred hand pumps designed to lift water from deep wells at a rate of 3,000 liters per hour each, valued at about \$600 million, were delivered yesterday by the Italian government under its emergency aid program for the Angolan people and government.

The gift will benefit some 100,000 people in Inhambane, Gaza and Maputo provinces. The decision was made in favor of these three provinces because of serious water-supply problems there due to the drought, which has deprived the people of their normal water supply, forcing them to resort to rivers and other sources.

Poor weather conditions have led to a prolonged drought over several years in a row to the point that water-supply systems now depend solely on wells, and there are so few that it has not been possible to implement a program calling for one water well for every 500 families.

Engineer Alvarinho, UDAAS director, who took delivery of the Italian gift, said that the pumps would alleviate the water-supply problem for rural dwellers in the southern part of the country, especially residents of Gaza and Inhambane provinces, where installation of the pumps will be given highest priority.

Enough pumps will be made available immediately to GEOMOC to install one at every well the company is drilling in those provinces so that people in that water-short area can begin using them at once.

Alvarinho said that the hand pumps are ideal for alleviating and solving the water-supply problem in rural areas, especially now that great population displacement, whether due to the drought or the war, is demanding that the water sector find fast solutions to problems as they occur, such as in new communal villages growing up as a result of displacement.

In expressing gratitude for the gift, which he described as most welcome and helpful, especially at a time when the country is undergoing various hardships which make it impossible to import parts to repair existing wells or pumps to equip new wells, Alvarinho stated that the Mozambican government, working through the water sector, would immediately make every effort to get these pumps in service to start supplying the people with water.

According to calculations based on a study, the 400 pumps can serve a total of about 100,000 persons, and each well has a production rate of 3,000 liters per hour, which comes out to about 150 20-liter buckets per hour for the same number of persons.

Enrico Granara, second secretary at the Italian Embassy in Maputo, said that his country understands the difficulties that Mozambique is now experiencing and that it therefore approved an emergency aid program which has been funneling gifts of equipment, clothing and foodstuffs to Mozambique.

This past week, Italy delivered 3,500 metric tons of rice and other foods for the victims of drought and war.

The pump delivery ceremony, which was held at the container dock at the port of Maputo, was also attended by Andre Mapanzene, director of HIDROMOC. This Mozambican company, which specializes in repairing pumps and importing and distributing spare parts, will be in charge of distributing the pumps.

8844

CSO: 3442/28

## COOPERATIVE UNION BEGINS IRRIGATION SERVICES

Maputo NOTICIAS in Portuguese 11 Nov 86 p 8

[Text] To expand the irrigated area and improve the effectiveness of irrigation in the cooperatives most stricken by the lack of water, the General Union of Agricultural-Livestock Cooperatives of Maputo organized a hydraulic and irrigation service. The Office of Green Zones, as a structure in the state apparatus, backed and praised the action of that peasant organization, inasmuch as it constitutes a major initiative for solving the drought problem in certain areas with a scientific and technical capacity.

This new service of the General Union divides its activity between the maintenance of the facilities and existing equipment and the installation of new equipment.

During the first half of this year, although this service was still in the organizational and consolidation phase, it achieved installation for pumps in 18 water holes, set up 13 new electrical facilities, and installed five windmills and nine new irrigation systems.

In addition to having undertaken these new facilities, the General Union's hydraulic service engaged in constant maintenance work on equipment already in operation. According to a technician from the sector, this maintenance includes the repair of engines, pumps, windmills, electrical facilities, and piping systems.

At a meeting held recently, the head of this service, engineer Rall, said: "The hydraulic sector's strategy has been to give priority to the supply of water to the cooperatives still lacking it, and to increase the amount of water available to the cooperatives which are better organized, as well as to improve the irrigation systems existing in them."

The technician added: "At the same time, work has been done aimed at electrifying the largest possible number of pumps and at putting the largest possible number of water holes into operation."

The improvement of the irrigation techniques is also a concern of this service. For this purpose, with the support of a UNICEF project, it has begun the

installation of "copolene" pipes, and respective connecting fittings which are used in low pressure piping systems to allow for irrigation with hoses on the site of the sprinklers.

A report from that service, recently analyzed at a meeting with the General Union's management, disclosed that "four of these facilities have been built, the largest being at the No 5 Union's 16 June Cooperative."

Other material also received through the project with UNICEF is being distributed on the basis of studies on the needy cooperatives. Still more material belonging to the General Union is also being installed, and the stocks have been organized and tallied.

An official of the General Union remarked that it is planned to install the hydraulic sector soon in a new office in Bagamoyo, which is completely equipped; and this will increase the sector's capacity significantly.

This entire program has also paid particular attention to training, through work. The various work brigades operate with a master and apprentice aides selected from among cooperative members and their children, who in this way learn from the respective master.

The Maputo Directorate of the Cooperative Movement is attempting, through this relatively specialized training for its peasants, to achieve greater autonomy so as to be able to dispense with the need for foreign technicians.

2909

CSO: 3442/37

## BRIEFS

COOPERATION WITH CZECH JOURNALISTS--On 13 October, in Prague, our country's National Organization of Journalists (ONJ) and the Czechoslovak Union of Journalists (UCJ) signed a cooperation agreement in effect for a period of 3 years, whereby, among other commitments, both organizations pledge to "cooperate in the field of education and training, to improve the qualifications of journalists." The official document was signed by the ONJ and UCJ general secretaries, Manuel Tome and Marcel Nolc, respectively. The agreement also calls for an exchange of views in the professional area, an exchange of specialized publications between the two organizations, exchanges of delegations, and also the promotion of friendly contacts between the news organs of Mozambique and Czechoslovakia. In the realm of training, the document specifically stipulates, for example, that the UCJ "will invite Mozambican journalists to take training courses in the English language at the Julius Fucik School of Solidarity in Prague, organized jointly by the International Journalists Organization and the Czechoslovak Union of Journalists." The photo shows the exchange of documents, duly signed, between Manuel Tome and Marcel Nolc. [Text] [Maputo NOTICIAS in Portuguese 10 Nov 86 p 1] 2909

PROVINCES RECEIVE FOOD AID--This year, 20,000 tons of food products have already been donated to Mozambique by the World Food Program (WFP), in an act aimed at mitigating the effects of the natural disasters and the armed bandits' criminal action, as Robert Christie, the WFP's representative in Mozambique, disclosed. The donated products consist essentially of corn and beans, some of which have already been distributed among the provinces of Maputo, Gaza, Inhambane, Sofala, and Zambezia, in a operation coordinated by the Department to Prevent and Combat Natural Disasters. Robert Chrisite said that, in Zambezia Province, 50 tons of concentrated meat, to be used for therapeutic treatment, particularly among children in a state of malnutrition, have already been distributed. [Text] [Maputo NOTICIAS in Portuguese 10 Nov 86 p 1] 2909

COUNTRY VOTED HEAD OF ESAMRDC--Mozambique was elected to a one-year term as president of the Eastern and Southern African Mineral Resource Development Council (ESAMRDC), based in Dodoma, Tanzania, at the Council's seventh session held in early October. James E.N. Kagule-Magambo, a Ugandan, was elected Director at the same meeting to replace M.M. Shumoro, an Ethiopian, who had directed the Center for the last 8 years. The Mozambican delegation to the meeting in Dodoma was headed by John Kachamila, minister of mineral resources. Several decisions were made at the Council meeting to solve financial problems which the Center had been deliberating. The importance of recruiting other countries in the subregion for membership was recognized. It was recommended

that recruiting efforts be made and that the Center's working methods be improved. The meeting was preceded by the First Ordinary Meeting of the Executive Committee, chaired by the executive secretary of the United Nations Economic Commission for Africa (UNECA). ESAMRDC, commonly known as the Dodoma Center, was founded in February of 1975 and now has six member countries. The Center's objectives include assisting the development of national capabilities for geological exploration by providing consultant services for technical and economic feasibility studies, among others. [Text] [Maputo NOTICIAS in Portuguese 14 Oct 86 p 3] 8844

CSO: 3442/28

## BRIEFS

IMF LOAN--The IMF board is expected to approve a SDR 10 million (\$12 million) one-year standby loan and a SDR 15 million (\$18 million) structural adjustment facility (SAF) on 17 November. The new package of support for Niger's economy will replace the SDR 13.5 million (\$16.2 million) one-year standby due to expire on 4 December--that facility should be fully drawn down by the end of the year. IMF sources say the government satisfactorily complied with its performance criteria during the last monitoring period (AED 18:10:86; 1:3:86).[Text][London AED in English 8 Nov 86 p 8]/12828

EEC FUNDS IRRIGATION--Agreement on EEC funding of ECU 92 million (\$96.2 million) in grants and loans for a major agricultural irrigation programme was reached during the 21 October visit of EEC Development Commissioner Lorenzo Natali. Most of the aid will be provided in grant form by the European Development Fund (EDF) and come from Niger's ECU 120 million (\$125.5 million) allocation under the third Lome Convention, which has been earmarked for rural development and food security, with a topping-up element of loans from the European Investment Bank (EIB). Of the total, ECU 67 million (\$70 million) will support a planned integrated project to irrigate 2,110 hectares along the Niger river at Lata, Gabou, Bonfega and Kirtachi, mainly to cultivate rice, while fruit, vegetables and trees--for both fuel-wood and timber--will also be grown. The project also includes construction of feeder roads, rural electricity supply and a marketing component. Reorganisation of the state agency Riz du Niger (Rini) will also be undertaken. There is some concern over the comparative cost of locally produced rice and imports, AED understands. Imported rice is available at CFA 115 (\$0.35) a kilo, while the production cost for rice grown under the project would be around CFR 200 (\$0.61), EEC officials say. A detailed feasibility study is due to get under way early next year. A further ECU 25 million (\$26.2 million) will be provided for smaller projects to irrigate some 980 hectares around Tarka, Zinder, Dallol Maouri and Dallol Bosso. Despite the reticence of other donors, the EEC is considering providing a cash injection for the state agricultural credit institution Caisse Nationale de Credit Agricole (CNCA) which has accumulated liabilities some CFA 10,000 million (\$30.7 million).[Text][London AED in English 1 Nov 86 p 9]/12828

IDB TECHNICAL ASSISTANCE--The Jeddah-based Islamic Development Bank (IDB) is granting a total of \$630,000 in technical assistance for two agricultural projects. A \$450,000 grant will be used to prepare a feasibility study on rehabilitation of over 200,000 hectares of pastoral land in various areas. A second grant of \$180,000 will part-finance a feasibility study on an integrated oases development project, designed to benefit semi-nomadic herders. [Text][London AED in English 10 Nov 86 p 10]/12828



NAN MAY CLOSE FOREIGN BUREAUS TO SAVE MONEY

AB150615 Lagos Domestic Service in English 1800 GMT 14 Nov 86

[Text] The News Agency of Nigeria, NAN, may close down all its bureaus abroad by the end of the year due to foreign exchange constraints. The general manager of the Agency, Dr (Nwabo Ngbomena), who gave this indication in Lagos, confirmed that three out of the 10 bureaus have been closed down and the correspondents recalled home. Ogie Oboigbe has the report:

[Oboigbe] The News Agency of Nigeria has been operating in 10 major cities abroad with 11 correspondents. In the last few months, the bureaus in Cairo, Egypt; Belgrade, Yugoslavia; and New Delhi in India, have been closed down. The remaining foreign posts, likely to suffer the same fate is the agency's financial position does not improve, are located in Abidjan, Nairobi, Harare, London, New York, Washington D.C. and Moscow. Dr (Ngbomiena), NAN general manager, said the organization had been spending about 19 percent of its budget in the running of its foreign posts.

The introduction of the second-tier foreign exchange market has also not helped matters, since NAN, even with a meagre allocation, has to go through the market. Dr (Ngbomena) who was answering a question during the news briefing by the Minister of Information and Culture, Prince Tony Momoh, said NAN will not be able to help recalling all its foreign correspondents unless somd manna fell from heaven to bail it out of the situation. Prince Tony Momoh had earlier spoken of plans by the agency to computerize its operations in order to improve editing processes, transmission of information, and documentation.

[Begin Momoh recording] By the year 1988, the agency has decided to lay more emphasis on developmental (?news). To this end, NAN, in addition to having (?her staff) correspondents in each state capital, has set up 12 district offices in all major cities and in other major towns at least to have one district office in each state by the end of the year. The agency, in this light, will start regional distribution of local news to enable newspapers and local media and television stations to receive all stories and features emanating from their areas which by their choice of developmental and local matters will be more relevant to the people of those areas. The agency's 12 district offices are situated at Onitcha in Anambra state, Ogoja Cross River state, [name indistinct] in Bornu state, Zaria in Kaduna state, Aba in Imo state, [name indistinct] in Sokoto state, Ukere in Kwara state, Warri in

Bendel state, Abeokiti in Ondo state, [name indistinct] in Ogun state, Ile Ife in Oyo state and Gombe in Bauchi state.

To improve its new techniques [word indistinct], the organization is [words indistinct] in the first hand delivery system and has started to send its mail by wire to those subscribers who have got news receiving equipment. [end recording]

Prince Momoh also announced that in a bid to become more economically viable, NAN was conducting a market survey aimed at introducing a productive service. In addition, the agency's research and documentation unit would be expanded into a center to sell information to media houses and relevant institutions.

The News Agency of Nigeria started operations in 1978 with a general news service producing an average of 1700 words a day. Today, apart from the general news service, there is a foreign news service and special bulletins for features, economic news and sports.

/12913

CSO: 3400/478

## NIGERIA

### BRIEFS

ARGENTINE ENVOY ON FALKLANDS INITIATIVE--Argentina has asked for Nigeria's support in tackling what she calls a new factor in tension in South America. The request was contained in a special message from President Raul Alfonsin to President Ibrhaim Babangida delivered in Lagos today by the special assistant in international affairs to the Argentine president, Mrs (Lozo Gonas Hariachin). Mrs (Hariachin) identified tension as (?the result of) the recent decision by Britain on the Falkland Islands. She told President Babangida that there was need for Nigeria to join other medium-sized powers in tackling mutual political and economic problems. President Babangida described the visit by Mrs (Hariachin) as a great step toward strengthening relations between Nigeria and Argentina. Argentina has sent similar messages to India, Yugoslavia, Cuba, Algeria and Zimbabwe. [Text] [Lagos Domestic Service in English 1500 GMT 18 Nov 86 AB] /12913

CSO: 3400/480

## SAO TOME AND PRINCIPE

### BRIEFS

BADEA TOPS UP COCOA FUNDS--Financing arrangements for the \$23.7 million project to rehabilitate the Bella Vista and Ubabudo cocoa plantations have been completed with approval by the Arab Bank for Economic Development in Africa (BADEA) of a \$6 million loan at its 25-26 October board meeting in Khartoum. The loan, for 17 years, including five years' grace, is at an annual interest rate of 5 per cent. The other major source of funding is the World Bank, which has confirmed an International Development Association loan of \$7 million (AED 1:3:86). Other co-financers include OPEC Fund for International Development (\$2.2 million), France's Caisse Centrale de Cooperation Economique (\$1.6 million), International Fund for Agricultural Development (\$1.1 million), European Investment Bank (\$1 million), US Agency for International Development and World Food Programme (\$800,000 each). Portugal's Matero and Franco-Belgian Socfinco were appointed as managers for rehabilitation of Bella Vista and Ubabudo respectively earlier this year. [Text][London AED in English 8 Nov 86 p 25]/12828

AIRLINE SERVICE--The recently set up Equatorial Airlines of Sao Tome & Principe is due to start a thrice-weekly service to Libreville in November. However, formal approval for the flights has still to be given by the Gabon government, airline sources in Libreville say. The airline--set up as a joint venture between the government and Luxembourg-based ITM International's affiliate Intraco under a March agreement--has access to five aircraft, including a Fokker F-27 taken over from defunct state-owned airline Linhas Aereas de Sao Tome & Principe and a Hercules cargo aircraft used by Intraco to ship supplies to Angola's diamond producer Endiama. Maintenance work on the F-27 was recently completed in the Netherlands, enabling domestic flights between Sao Tome and Principe islands to start in July (AED 28:6:86). [Text][London AED in English 8 Nov 86 p 25]/12828

CSO: 3400/493

BRIEFS

MUSLIM POLITICS, RESTRICTIONS--Earlier this month, Second Vice President Abu Kamara revealed that 200 air tickets donated by Saudi Arabia, Kuwait and Iran had been sold on the black market by 'dishonest Muslims.' The tickers were intended for distribution to Muslims who wished to undertake the pilgrimage to Mecca but who had insufficient money to pay the fare. Kamara also suggested that other funds destined for pilgrims had been abused by Islamic groups, and that this was one reason why so few Sierra Leoneans had been to Mecca this year. The authorities have now informed their Arab counterparts that aid to Sierra Leonean Muslims must henceforth pass through the government and may not be given directly to religious groups. A ministerial sub-committee has been set up to investigate the creation of a central organisation for Muslim affairs. These developments may perhaps be seen in the light of fierce Arab-Israeli competition for influence in Sierra Leone. The outcome also has implications for South Africa (AC Vol 27 Nos 19, 21). The government's latest moves may be interpreted not just as an anti-corruption measure but also as a means of curtailing the influence of Arab and Islamic states. [Text] [London AFRICA CONFIDENTIAL in English 29 Oct 86 p 8] /9274

CSO: 3400/477

## BRIEFS

FAMILY PLANNING PROGRAM--The Planned Parenthood Association of Zambia (PPAZ) wants to direct its family planning campaign at men instead of limiting the exercise to women. A document of the three-year plan says male motivation has been minimal since PPAZ was launched in 1972. "The main reason for this is that most motivational work by field officers has been directed at maternity wings of health institutions where the majority of those reached are women," says the report. The document says this approach needs to be corrected involving men in family planning as they are decision-makers in family size in most families. PPAZ will carry out its campaign at work places. "In Zambia, most workers in industry are men hence our targeting male motivation in this sector." During that period, the association will encourage the provision of family planning services like contraceptives to companies' health clinics. [Text][Kampala THE STAR in English 11 Oct 86 p 5]/12828

CSO: 3400/508

## NEW 'ELITE' FIGHTING FORCE TAKES SHAPE

Durban THE DAILY NEWS in English 31 Oct 86 p 5

[Text]

**HARARE:** With Zimbabwe committed to 100 percent support for the Frelimo regime in Mozambique, efforts are under way to beef up its military capability.

Under training are 4 000 recruits for an elite Sixth Brigade to reinforce the 41 000-strong army.

The army's first four brigades were formed by integrating combatants from the Rhodesian Army and the guerilla forces of Mr Mugabe and Mr Nkomo.

The operation was overseen by a British military training team and was remarkably successful despite initial problems which at one stage saw bitter fighting between the former guerilla forces.

The fifth brigade to be formed was a controversial and highly politicised unit drawn almost entirely from former Mugabe guerillas and trained by North Koreans.

Subsequently the British took a hand in retraining the unit which had gained notoriety for

its ruthlessness in suppressing civilian support for dissidents in Matabeleland.

**Tough**

The Presidential Guard, sometimes wrongly referred to as the Sixth Brigade, followed, and also had a strong political flavour.

The Sixth Brigade, whose formation was announced by Mr Mugabe some months ago, is being trained on the same lines as the tough Parachute Group to be a hard-hitting force combining the roles of infantry, commandos and specialist forces. It will eventually become a mobile airborne force.

Its commander is a former Rhodesian African Rifles officer, Colonel Lionel Dyke, holder of the Silver Cross for gallantry in quelling the fighting between the former guerillas in Bulawayo's Entumbane area in 1981 when several hundred men were killed.

Colonel Dyke, a wiry, crop-haired physical fitness fanatic, says the selection course was the toughest he had seen and led to many casualties, including the death of one recruit.

The first 4 000 men were chosen from thousands of applicants. None has less than five O-levels reached after five years of secondary education.

**Camps**

Smoking, alcohol, women and politics are banned in the barracks.

Colonel Dyke, who commanded Zimbabwe's Parachute Group, said: "Sixth Brigade is their politics, their religion and their family."

The initial training is taking place at Bulawayo's Llewellyn Barracks and camps are being established at Gwayi River Mine in northern Matabeleland and at Wafa Wafa near Kariba which will each have battalions of 1 200 men.

When the men are posted to Wafa Wafa (where the Selous Scouts had a training school), they will march the last 300 kilometres across country. Four officers will run ahead covering the distance in four days, while the men will take 12 days to march to their base.

A permanent headquarters is being built for Sixth Brigade but its location has not been made public.

The brigade will eventually have a strength of 5 000 men.

Within a year, Colonel Dyke says Zimbabwe will have a fighting force of the like not seen before in Zimbabwe.

/12828

CSO: 3400/497

SOUTH AFRICA

AMBASSADOR TO UK ADVOCATES LEADERSHIP, REFORM

MB250449 Johannesburg SAPA in English 2234 GMT 24 Nov 86

[Text] Johannesburg, Nov 24, SAPA--The answer to South Africa's problems lay in leadership and reform rather than revolution, South Africa's ambassador to the United Kingdom, Dr Denis Worrall, said at the SUNDAY TIMES BUSINESS TIMES top hundred companies award in Johannesburg tonight. He warned of the danger of extreme right and left political groups asserting themselves in the "sense of vacuum" as the government reached a crossroads. "This explains the growth of the right and left wing, the lack of business confidence, the brain drain and the lack of conviction that a peaceful solution can be attained," he said.

Mr Worrall said extreme rightwing groups such as the AWB, the Conservative Party and at the other end, the ANC and AZAPO, had a concept of where they were going. "The big hope is that neither extreme triumphs."

He believed that Afrikaner nationalism and a strong sense of identity could be creative but "it would be unfortunate if it enforced itself." There was a real need for extreme Afrikaner nationalists to "think this through," he said.

Debate about South Africa had changed dramatically in the last four and a half years; from the November referendum in 1983 to the Nkomati Accord to the emergence of the United Democratic Front in September 1984. The country then began to "run into difficulty. The affair in Durban when UDF leaders sought asylum in the British Consulate, the shooting at Uitenhage and devastating international coverage." "These developments profoundly affected relations between the United Kingdom and South Africa," Mr Worrall said.

He said relations between the two countries remained very sound but were beginning to show signs of strain. "There is concern but it is positive concern," he said.

The majority of businessmen "deplore Barclays decision but applaud B.P.'s [British Petroleum] announcement last week."



The weak rand, weak economy, perception of South Africa through unrest on television, opinion influenced by debate, the impression of turmoil in recent months and a lack of certainty of the direction change was taking all combined to give an increasingly gloomy picture. Mr Worrall said: "But peaceful answers are possible. We have created a moral framework in which reform can occur. It is unfair that we indicate timetables when it is not demanded of anyone else. The debate about us will go on. South Africa has become the world's biggest problem and whether we wish to participate or not the debate will continue. All that we aspire to is in the Western world and we need the Western world because we are a sophisticated country. Sanctions must be rejected and we must continue to make the case for reform rather than revolution."

/8309

CSO: 3400/468

SOUTH AFRICA

CP OBJECTS TO COMPARISONS WITH ANC, AZAPO

MB251144 Johannesburg SAPA in English 1142 GMT 25 Nov 86

[Text] Johannesburg, Nov 25, SAPA--The Conservative Party spokesman on foreign affairs, Mr Tom Langley, said today the CP took exception "to the likes of left-wingers of the background of Dr Denis Worrall--young Prog, spro cas member [as received; expansion unknown] and admirer of Martin Luther King--referring to us as extreme and linking us with the ANC and AZAPO."

Mr Langley said in a statement that Dr Worrall must remember that as South Africa's ambassador to the United Kingdom, "he represents all the people of South Africa, including tax-paying members of the Conservative Party at whose expense he enjoys the pleasures of the Court of St James." Dr Worrall's "behaviour" typified "the arrogance endemic in the National Party government." Dr Worrall and his colleagues would do well to concentrate on promoting South Africa's image overseas, rather than make a fatuous statement discrediting the party that would have to sort out the constitutional mess in which Dr Worrall played a major role in foisting on South Africa, Mr Langley said.

"With the influx of left-wingers like Dr Worrall, co-opted into the National Party by Mr P.W. Botha, and the resultant move to the left by the party in general, the increasing impression is maliciously created that the CP is now extreme right wing, when in fact it holds the same position and believes in the same principles as did the true National Party less than 10 years ago. The CP considers itself to be on the same frequency as other conservative parties in the West," he said.

"Dr Worrall's unacceptable sally into the political arena is an embarrassment to the career diplomats of the Department of Foreign Affairs and the CP will be taking this matter further in the forthcoming parliamentary session," Mr Langley said.

/8309

CSO: 3400/468

SOUTH AFRICA

CP LEADER CRITICIZES DELAY OF GROUP AREAS REPORT

MB220733 Johannesburg SAPA in English 2149 GMT 21 Nov 86

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[Text] Johannesburg, Nov 21, SAPA--The decision by the Presidents Council to delay the report on the Group Areas Act for six months was yet another example of the "evasive tactics used by the National Party to postpone any decision until after the forthcoming by-elections."

In a statement today, the leader of the Conservative Party, Dr Andreis Treurnicht said the recommendations of the Presidents Council were expected to mirror Mr P.W. Botha's desire to legalise grey areas throughout the country. "But he has deviously delayed the moment of truth. Not even the NP faithful are prepared to accept tampering with the Group Areas Act nor the integration of schools and other facilities within their communities," he said.

"By using these ploys, Mr P.W. Botha is postponing the inevitable. The NP has painted itself into a corner.

"Resentment at the NP's dishonesty is creating a backlash. They have delayed proclaiming their intentions regarding the opposition of Norweto, and they have created suspicion in the minds of the voters that they are merely placing these issues on ice until after the forthcoming by-elections.

"Only the Conservative Party can be trusted to uphold the Group Areas Act," said Dr Treurnicht.

/8309

CSO: 3400/468

SOUTH AFRICA

TREURNICHT TERMS INDABA DANGEROUS TO MINORITY RIGHTS

MB211506 Johannesburg SAPA in English 1438 GMT 21 Nov 86

[Text] Johannesburg, Nov 21, SAPA--The leader of the Conservative Party, Dr A.P. Treurnicht, today reiterated his party's "complete rejection" of the Natal/KwaZulu indaba in the light of further developments "exposing the inherent flaws in any scheme designed to protect minority rights."

In a statement to SAPA he said: "Even the Indians are beginning to realise that their rights as a minority group in Natal are in serious jeopardy under the so-called indaba.

"It is interesting to note that it is the liberal element, under an assumed mandate, which has to connive to manipulate a better deal for themselves in terms of voting rights than they accord to the Indian minority, in spite of the fact that the Indians outnumber the white community in the province," he said.

Dr Treurnicht said a further serious flaw is that the productive white and Indian communities are, on a one-man-one-vote principle, being subjected to rule by the less productive Zulu majority.

"This is totally unacceptable to the CP who, besides rejecting the whole concept of the indaba because it has no mandate from the people of Natal, also rejects the concept of black majority rule which the indaba promotes in spite of their smokescreen slogans which talk of bills of rights and power sharing."

What had become evident is that this experiment "at the expense of the people of Natal is a non-starter," he said.

Already groups and vested interests are jockeying for control of power.

"This will lead to continual friction until the Zulu majority asserts itself, and black domination will be the order of the day. The only logical and fair solution to our unique problem is political partition and the problems already experienced by the indaba provide us with confirmation of this fact," Dr Treurnicht added.

/8309

CSO: 3400/468

# POLICE BUYS FORMER FORD PRODUCTION PLANT

Port Elizabeth EVENING POST in English 14 Nov 86 p 6

[Article by Barbara Orpen]

[Text]

THE former Ford production plant at Struan-dale has been sold to the South African Police.

It was the site which the Port Elizabeth Municipality refused to re-zone for educational purposes because it was considered to be prime industrial land.

An application from Vista University to erect a permanent campus on the site was turned down by the Land Usage Committee after the City Council's development working group had reported that "the loss of such land for industrial purposes could prove to be a severe blow to the economy of Port Elizabeth".

Mr Bill Williams, chief estates officer in the Town Clerk's Department, said the SAP purchase of the property was not subject to the municipal rezoning regulations.

"Government bodies are not bound by rezoning," he said.

The site was sold to the SAP for an undisclosed amount and will be used to house the reaction unit, which has already started moving in.

"Because the SAP are a Government body, we have no say over their purchases — we operate at the third tier level," Mr Williams said.

"It is unfortunate that the land is not being used for industrial purposes. The municipality is always reluctant to see industrial land being used for other purposes.

"Industrial property is a scarce commodity and in view of the fact that we are trying to attract industry to the area, we always try and keep the land for its original purposes.

"For this reason the request by Vista to use that land for educational purposes was turned down."

Professor Mike Levin, Director of the PE campus of Vista University, said it was no use "cry-

ing over spilt milk".

He said Vista's campus was on a 1,78-hectare site which had been leased on a temporary basis. There was an urgent need to expand the facilities

He added, however, that prospects of obtaining land on the Missionvale side of the Uitenhage Road looked promising and as soon as the go-ahead had been given building could start.

"Because of our limited facilities, we have had to restrict our numbers to 700 students. This restriction will now have to remain in force next year.

"Although we are not under too much pressure to expand immediately, we will be as soon as a full matric class writes final exams."

● The Northern Areas Land Matters Committee has recommended the rezoning of a 20-hectare site at the Johnson Road-Uitenhage Road intersection in Missionvale for sale to Vista at a price of R135 000.

/12828

CSO: 3400/492

## BRIEFS

MINISTERS' SALARIES, COST OF CABINET--Taxpayers will have to pay "at least" an extra R7-million a year to fund President P W Botha's decision to double the number of deputy ministers to 20. A PFP spokesman on the public service, Major Reuben Sive, said yesterday that this figure was a "conservative estimate" of the additional cost of salaries, perks and additional staffing for the 10 new deputy ministers. "This is bureaucracy gone mad--the gravy train is running out of control," he said. Deputy ministers would receive a combined salary and allowance of R85182--compared with R58050 for an ordinary MP. Each was also entitled to a "plush new Mercedes and chauffeur", first-class instead of economy-class travel, free furnished homes in Pretoria and Cape Town, a special office and a private secretary. More than a third of the NP's 127 MPs in Parliament were not either ministers or prime ministers. In a reference to the meteoric rise of Mr Ron Miller and Mr George Bartlett since crossing the floor from the New Republic Party, he said the best way to get a first-class ticket on the gravy train was to defect to the NP. Retiring cabinet ministers would receive a R2000000-plus gratuity and up to R114930 a year in pensions. PFP leader Mr Colin Eglon said the "inordinate cost of having another 10 deputy ministers is totally unjustifiable." The latest appointments also strengthen the executive at the expense of the legislature and put the opposition at an even greater disadvantage in debates. The leader of the Conservative Party, Dr Andries Treurnicht, said the latest appointments represented a "multiplication instead of the promised rationalization or streamlining of the executive." [Text][Cape Town CAPE TIMES in English 6 Nov 86 p 3][Article by Anthony Johnson]/12828

CSO: 3400/492

MANGOPE SAYS SANCTIONS HURTING BLACKS

Johannesburg THE CITIZEN in English 19 Nov 86 p 4

[Text]

MUNICH. — The President of Bophuthatswana yesterday condemned Western sanctions against Pretoria, saying they were slowing up the process of social reform.

Pres Lucas Mangope said at a seminar organised by the conservative Hanns-Seidel Foundation that economic measures against the South African leadership were proving counter-productive and hurting the majority Blacks.

"The sanctions movement against South Africa has unfortunately diverted the government in Pretoria from reforms which were already in progress," he said.

Pres Mangope said that

reforms were only possible in an economically healthy South Africa.

He accused Western firms withdrawing from South Africa in protest against apartheid of leaving Black workers without support after earning huge profits for years by paying them low wages.

Pres Mangope, branded a puppet of Pretoria by most African leaders, said apartheid had left Black South Africans with enormous gaps in their education and development and called for the elimination of the system as soon as possible.

The Hanns-Seidel Foundation is close to the Christian Social Union (CSU), which is headed by Bavarian Leader Franz Josef Strauss and is part of the coalition government in Bonn. — Sapa-Reuter.

/13046

CSO: 3400/471

# ID PROBLEMS FOR XHOSA, VENDA, TSWANA PEOPLE

Johannesburg BUSINESS DAY in English 11 Nov 86 p 7

[Article by Sophie Tema]

[Text]

ALL XHOSA, Venda and Tswana people in SA may have difficulty in obtaining the new Identity Documents (ID) because they are now "foreigners" in view of the independence of the TBVC Homelands.

People who may be affected are those whose reference books or birth certificates show them to be citizens of Transkei, Bophuthatswana, Venda and Ciskei.

This warning is contained in a document released by Sheena Duncan, past President of the Black Sash.

The document states that the new ID is the same for all race groups, with no difference in law between black and white people.

The ID will be given to any person who is permanently and lawfully resident in SA. This means that all South African citizens are entitled to an ID.

Foreigners who are permanently resident in SA with permission are also entitled to an ID.

## Photographs

In order to apply for an ID a black person can go to any office of the Home Affairs Department, formerly known as the offices of the Commissioner of Co-operation and Development.

People who do not have a Reference Book need a birth certificate or other proof of birth and two photographs in order to obtain an ID.

People who do have a reference book need only take the book and two photographs to apply for an ID.

Everybody's fingerprints will be taken when they apply for an ID — including white, coloured and Indian people.

People who were endorsed out of town in the past or who were never registered can apply for an ID without apprehension. Now, it does not matter whether they had a permit or not to be in a town in the past.

No official has the right to demand proof of a house or lodger's permit.

"Lawful residence" does not mean that you have to have a permit to be in a particular place. It means that a person must be lawfully resident in SA.

Because people of the TBVC homelands are "foreigners" and some, therefore, not lawfully resident in SA, they may have difficulty in obtaining an ID document.

A person — black, white, Indian or coloured — is only lawfully in SA if he or she has been issued with a specific permit.

According to the Black Sash, all those Xhosa, Tswana and Venda of the TBVC areas who have never lived in one of the independent homelands — or who were born in, or who have lived in one of the independent homelands and moved to areas outside the homelands before their independence day — are lawfully and permanently resident in SA and are entitled to an ID, even if they have a homeland passport instead of a reference book.

All persons born in the TBVC areas before independence day are South African.

Whether or not they are lawfully and permanently resident in SA will depend on individual circumstances.



## BOTHAS' LEGACY SEEN AS MILITARIZATION OF COUNTRY

Cape Town CAPE TIMES in English 8 Nov 86 p 6

[Commentary by Gerald Shaw]

[Text]

**P**RESIDENT PW Botha put his governmental estate in order this week, appointing Mr Alwyn Schlebusch as his political executor.

For the country, the Botha legacy is essentially the militarization of South Africa.

Whites will be expected to go into laager, accompanied by those of the elite in the other communities who may be willing to follow them.

The Botha reform, for what it has been worth, is of secondary importance — now more so than ever.

The key element in the Botha era has been his enhancement of military power — and his dependence on the advice of the military brass and military intelligence in regional, international and even domestic affairs. The diplomats have been the handmaidens of the military, as now once again in the Malawi affair.

At an early stage, President Botha's transformation of the State Security Council into the key organ of government set the tone for what was to follow. Militarization of South African society is now far advanced, right down to the military-led security management committees at the local level.

Whatever his mildly reformist proclivities may have been, Mr Botha has always been a hawk in questions of national security — notably in regional affairs — and his militarists are now firmly in control of the country.

Mr Botha's bottom line has always been the maintenance of Afrikaner Nationalist group identity and political control, reform or no reform.

**I**N the region, South Africa — feared and distrusted — is now paying the price for the Botha policy of destabilization of its neighbour states.

This policy has devastated Mozambique and huge areas of Angola, not to speak of intermittent mayhem in Lesotho, Botswana and further afield.

The result has been chaos in Mozambique, where South African *reccé* commandos are now said to be leading the Malawi-based MNR assault on the Beira corridor's communications links.

It is hardly occasion for surprise that Mozambique and Zimbabwe have been threatening to blockade Malawi and are making contingency plans to force President Banda to stop backing the MNR (Renamo) guerrillas.

Pretoria, plagued by ANC guerrillas, has been following precisely the same technique against Maputo and for similar reasons.

We must allow Mr Pik Botha his SABC revelations and melodramas, countering the propaganda which blames South Africa for shooting down President Machel. But it is a dismal game, by any standards. The purpose of the Machel-Mugabe meeting in Harare was hardly a secret. The Beira corridor is President Mugabe's lifeline to the sea, if Zimbabwe is to escape total dependence on South Africa.

**P**RETORIA'S destabilization of its neighbours is resolutely disavowed. And Pretoria's disavowals are as readily disbelieved. History will judge the wisdom or otherwise of such policies, but the moral rights and wrongs are already plain enough. If you sponsor murderous bands of terrorists in your neighbour states to make war on civilians, what does this do to the moral integrity of your own anti-terrorist campaign? Thousands of innocent people have died in Mozambique to meet the objectives of Pretoria's counter-insurgency strategists. Does the end ultimately justify the means?

What has been achieved? The landmine atrocities continue in the Eastern Transvaal.

It is by no means clear that our neighbour states are able to do anything very effective to curb the movement of guerrillas back and forth across their territories. There are political and practical limits to what they can do or are willing to do.

So the policy has not worked, and no matter how many more innocents must die on both sides, it will not work in future as a counter-insurgency stratagem.

Of course, there are other objectives, notably to counter the imposition of sanctions by the frontline states. But whether the game will be worth the candle in countering sanctions is likewise dubious.

So President Botha's legacy is one of continuing stepped-up hostilities in the region and increasing mobilization of the white community at home, latterly up to the age of 55! Mobilization against whom? Why is

there no conscription of blacks, coloured people or Indians? What are the implications of conscripting whites only? Are whites expected to take up arms against their fellow-citizens who are not white?

**T**HE prospect is one of siege, internally and externally, with guns at the ready. At home, this means economic stagnation, increasing unemployment, hardship and starvation and rising crime in the suburbs.

Externally it means the Lebanonization of southern Africa, creating a Vietnam-type situation, but with an important difference. This time the super-powers will be on the same side, which will not be South Africa's. Public opinion in the West is strongly on the side of the embattled front-line states.

It may be felt that the Botha government has had little option but to pursue such strategies. After all, the country is faced with guerrilla insurgency and terrorist atrocities, which are ultimately the responsibility of the African Nationalist Congress. And the ANC is communist-controlled, is it not, and will settle for nothing short of an immediate hand-over to blacks?

Is it as simple as that? The ANC is certainly pursuing a policy of so-called "armed struggle", but its viewpoint and attitudes are not very well known by South Africans. As a banned organization, the ANC

has few opportunities to put its point of view. Some ANC statements do on occasion see the light in South Africa and some, like this week's ANC appeal to businessmen on the eve of the Pretoria summit, are remarkably moderate and reasonable in tone.

**C**ERTAINLY the ANC has ties with the Soviet bloc. Mr Tambo has just been in Moscow and has met Mr Gorbachev. But so has President Reagan met Mr Gorbachev and no one is calling him a communist. Mr Tambo also has contacts with leaders of the Western bloc and is increasingly welcome at the highest levels.

It is actually not all that likely that the communists in the ANC, such as Mr Joe Slovo, would dominate an unbanned ANC. It is by no means a foregone conclusion. The best-informed analysts say that the ANC is social democratic or libertarian socialist in its policies, rather like the British Labour Party, which also has its quota of far-left ideologues.

The ANC might well agree to a truce — a suspension of violence — if there seemed to be a genuine disposition in Pretoria to do a deal and to clamp down on the right.

Regrettably, there is no disposition to settle — and there is not going to be, as long as President Botha's militarists are in the saddle.

## ISRAEL FEARS BACKLASH AGAINST JEWS IF SPECIAL TIES SEVERED

Cape Town CAPE TIMES in English 11 Nov 86 p 6

[Article by Masha Hamilton]

[Text]

JERUSALEM. — Israel is under pressure to sever its special ties with South Africa, but many officials are resisting such a move, saying it could trigger a backlash against the Republic's Jewish community.

Jerusalem has long denounced apartheid. But some of South Africa's 120 000 Jews have warned that if Israel cuts ties with Pretoria, Jews might become targets for retribution by anti-Semitic groups or even the Nationalist government.

Israel's low-key response to Pretoria's race-separation policy has come under fire since the United States decided to impose economic sanctions and six major US corporations said they would close their South African offices.

Israel announced this year that it intended to follow the United States's lead in responding to apartheid. Knowing US President Ronald Reagan's opposition to sanctions, Jerusalem felt safe. It didn't bargain for the congressional override of Mr Reagan's veto in September.

Pressure on the government also comes from another quarter: Israeli diplomats charged with trying to renew ties with black Africa after a 13-year break. The diplomats argue privately that Israel can't have both.

### 'Tar-baby'

"If Israel continues its current policy, the black community will remember that Israel increased its trade when other

nations began to desist," the liberal Jerusalem Post said in an editorial. Israel is becoming "stuck to the tar-baby of apartheid", it added.

Even the conservative Maariv newspaper urged: "We've got to cool our relations with South Africa."

The 38-year-old links between Israel and South Africa are so sensitive that Israeli officials have refused publicly to discuss any aspect of them.

The Foreign Ministry is willing only to say the issue is being evaluated.

Although South African Jews now face no restrictions, some Israelis warn that the seeds of an anti-Semitic backlash have been planted. Three years ago, an empty synagogue in Johannesburg was bombed, and Israeli diplomats blamed anti-Semitic whites.

The founders of the ruling National Party included nazi sympathizers, and the party denied membership to Jews until 1951. Some South African whites are today openly anti-Semitic, including members of the Afrikaner Resistance Movement (Afrikaner-Weerstandsbeweging), a largely rural group which stands for white rights.

"When Israel is not on good terms with any government, the Jews of that country are always the first to suffer," Mr Eliyahu Lankin, Israel's ambassador to Pretoria from 1981 to 1985, said in an interview.

"Israeli-imposed sanctions would make life difficult for the Jews of South Africa, and that must be our first concern."

In addition, Israel feels a special affinity for a fellow-pariah state surrounded by enemies. Israel often gives Pretoria diplomatic support and most recently was one of a few countries to oppose banning South African participation in an International Red Cross meeting in Geneva.

"The Afrikaner feeling of isolation, the fear that comes from being an outnumbered and disliked minority, should certainly strike a chord in our own memories," said Mr Yitzhak Una, an ambassador to Pretoria from 1974 to 1979. "As Israelis and Jews, we should feel a tie to them."

The extent of the ties are being questioned.

It has long been reported that the two countries worked together on development of a nuclear bomb and even tested the bomb off the South African coast in the 1970s. Israel denies this.

South African blacks say Israel is still selling Pretoria rifles, machine-guns and tanks, despite a 1981 arms embargo imposed by the United Nations. The reports are widely believed here, despite Israel's denials.

In turn, Israel has claimed that some Arab states are clandestinely selling oil to South Africa, despite their vocal opposition to apartheid.

Reports of extensive Jerusalem-Pretoria ties disturb South African immigrants like Mr Harold Rubin, a painter who came to Israel 25 years ago. He opposes broad economic sanctions, which he says would hurt South African blacks, but objects to the extent of Jerusalem-Pretoria ties.

## Trade

"Israel is jeopardizing its humanistic tradition. Its decision to supply weapons in particular clearly puts it in the position of siding with Pretoria," said Mr Rubin, pointing to a recent cover of a South African magazine showing a boy carrying an Israeli-made Uzi sub-machine-gun.

Israeli government statistics show trade between the two countries totalled about R555 million in 1985. Dozens of Israeli businesses operate in South Africa, including Koor, Israel's biggest conglomerate, and Solel Boneh, the largest engineering and construction firm.

In addition, South Africa uses Israel as a springboard to some otherwise closed markets. Several businesses have pacts to import semi-finished goods here from South Africa, add 35 percent local content in keeping with international trade laws, and market the product as Israeli.

Several prominent Israelis, including former Finance Minister Mr Yoram Aridor, have businesses in the 10 Pretoria-established "homelands".

Israel is one of the few governments that offers some measure of recognition to the homelands, which South African blacks claim are fake states created to exclude blacks from power in South Africa and control their movements.

Israel's special links to South Africa stem, too, from its unusually close ties to the country's Jews. Since Israel's founding, no Jewish community anywhere outside Israel has been "quite as intensely Israeli-oriented as the South Africans", Middle East historian Howard Sachar wrote in his 1979 book, "A History of Israel".

A higher percentage of South African Jews belong to Zionist organizations than in any other country in the world, and South African Jews give more money to Israel than the Jews of any other country, except the United States.

The South African Zionist Federation and Israel's immigration authorities have launched a campaign to persuade South African Jews to come to Israel. They are offering unprecedented financial inducements, including special housing and loans.

South African Jews, generally wealthy, have been reluctant to leave South Africa. The country's financial restrictions prevent them from withdrawing their money, and Israel's economic woes are a further deterrent.

Mr Len Charney, chairman of the South African Zionist Federation, says only 300 South African Jews came to Israel in 1985. — Sapa-AP

MILITARY'S HOPE FOR RENAMO TAKEOVER IN MOZAMBIQUE CRITICIZED

Cape Town CAPE TIMES in English 17 Nov 86 p 6

[Open Letter to General P. W. van der Westhuizen by Robin Hallett]

[Text]

DEAR General Van der Westhuizen,

You were for a good many years head of South African Military Intelligence, a position that brought you into close contact with the various dissident groups in neighbouring states and especially with Renamo or the MNR in Mozambique.

You are now secretary of the State Security Council and therefore one of the most powerfully placed decision-makers in South Africa.

You have then been an active participant in the policy of destabilization. Now you are reported to be the SADF's "leading hawk on Mozambique". I quote from the London Economist of October 25, bearing in mind that the Economist, most influential of British weeklies, has always been remarkably well informed on South African affairs.

"The Department of Military Intelligence," the Economist asserts, "wanted to push Mr Machel out and make a deal with Renamo. It wished to place the strategic corridor from Zimbabwe to the Mozambique port of Beira either in friendly hands — meaning Renamo's — or in those of a neutered Frelimo government. The first solution would give the South Africans another route for sanctions-busting; the second would ensure that sanctions against South Africa would hurt Mozambique and Zimbabwe too."

IN 1975 at the time of the first South African intervention in Angola there were senior officers in the SADF who believed that their task force could have taken Luanda, the Angolan capital, and gone on with FNLA and Unita support to gain control of the whole country. I believe that they were profoundly wrong over Angola.

In the same way I believe that those who look forward to a Renamo take-over in Mozambique are not serving South Africa's best interests. I do not propose to argue the case in moral and humanitarian terms — though those terms are surely far from insignificant — but in terms that I know you will appreciate; those of *realpolitik*.

Let me begin by trying to state as fairly as I can what seems to be your position. You are engaged in a desperate struggle for survival, a struggle that becomes the more desperate as a very large part of the international community expresses its increasing hostility to the government you serve. As a soldier it is your task to provide your government with that basic security that is essential for the maintenance of power.

Mozambique is ruled by an avowedly Marxist regime — and with Marxists, you firmly believe, there can in the last resort be no room for compromise. The political divide is too great. Whatever tactical moves they may make — such as agreeing to the Nkomati Accord — they always remain the enemy. And a soldier's prime task is to counter and ultimately destroy his country's enemies.

From such a standpoint the overthrow of Frelimo and its replacement by Renamo make very good sense. With Renamo in control of the greater part of Mozambique, Zimbabwe would indeed become South Africa's hostage. (A turn of the switch on the Beira pipeline would be enough to cut off essential oil supplies.)

Should the rest of the world resort to increasingly stringent sanctions, South Africa would be able to use Maputo and possibly also Beira as ports through which to pass essential imports and exports.

BLOCKED out on the map, such a scenario has an almost mathematical exactness about it. Forcibly stated, it must sound immensely persuasive. However, I believe that it overlooks three vital factors.

The first is Frelimo's resilience. Certainly from press reports Frelimo looks like a punch-drunk boxer: few governments in recent times have had to suffer the blows of such a cruel range of natural and political disasters. No wonder grown men and women burst into tears at Samora Machel's funeral. He had indeed inspired his people to survive.

You will have in your files many reports indicating the corruption, inefficiency and also no doubt the brutality of individual Frelimo officials. But do not underestimate the dogged staying power of a movement that has had to live with a state of war since its inception a quarter of a century ago.

At the time of the signing of the Nkomati accord there were some leading members of the party who argued that rather than accept such a humiliating agreement, it would be better to take to the bush and resume the guerrilla war. Do you want to find the SADF being drawn into counter-insurgency operations in Mozambique?

The second factor you seem to ignore is that of Renamo's competence. Some guerrilla movements can develop into astonishingly powerful and effective governments: Mao and the Chinese Communists showed that in China, Fidel Castro and his followers proved the same in Cuba. Renamo has shown its competence in a negative sense — as a destroyer of the country's infrastructure. Politically it looks like a rag-bag of a movement, which would never have got off the ground without the support it received first from Rhodesian intelligence and later from your own department.

Finally, supposing that Renamo did succeed in raising its flag in Maputo, have you tried to work out how the rest of the world would react?

With Frelimo still claiming to be the country's legitimate government from its base in the bush, and with Renamo widely regarded as no more than a South African puppet, it is doubtful whether any Western governments would accord it even *de facto* recognition.

**I**F countries both in the Western and the Eastern blocs were to step up their military aid both to Frelimo and to Zimbabwe, the SADF might find itself having to fight on yet another front. And as in Angola and Namibia, this would be a front with no quick victories.

All in all, then, the policy you are reported to

advocate looks not merely dangerous, a cause of greater violence and confusion, but also ultimately self-defeating.

You have another option. Go back to the strict letter of the Nkomati Accord. Stop giving military support to Renamo. Give the Mozambique government whatever assistance you can afford in helping to rebuild its battered economy. Renew the contracts of Mozambique miners. And certainly use whatever diplomatic influence you can to make it possible for Renamo rebels and Mozambican *émigrés* to return.

In other words, do no more than try to re-establish civilized relations between sovereign states. Follow that line of policy and you will find yourself less distracted by external issues from attending to what must be your dominant concern — the internal state of South Africa.

"It is politics which begets war. Politics represents the intelligence, war merely the instrument, not the other way round. The only possible course in war is to subordinate the military viewpoint to the political."

May I end by commending these words to your attention. They come from the work of one of the great military philosophers of all time, Karl von Clausewitz. They strike me as being particularly applicable to the situation in which you find yourself.

VISAS FOR FOREIGN TRAVEL BECOMING MORE RESTRICTIVE

Johannesburg BUSINESS DAY in English 5 Nov 86 p 9

[Article by Dominique Gilbert]

[Text]

AS UNCERTAINTY surrounds overseas possibilities for SA tourists, consulates are being inundated with applicants seeking second passports, says the Association of Southern African Travel Agents (Asata).

They cite as an example the German Consulate, normally always reasonably quiet, but which today is filled with lawyers and consultants who accompany dual passport-seekers.

Meanwhile, they claim that obtaining visas for overseas travel is becoming more restrictive and cite recent clamps by Portugal, Spain, Japan and the US.

They say every visa application for Portugal now has to be referred to Lisbon for processing, which can take up to five weeks. "This is particularly surprising in view of the country's friendliness to SA and because the huge Portuguese community (700 000) sends hefty remittances out of SA," said Asata executive Karl Flatau.

But a spokeswoman for the Portuguese Consulate denied the claim, saying that "new laws" now govern a more discerning issuing of visas in

order to prevent the constant inflow of refugees into Portugal.

She maintained that the restrictions are aimed largely at Mozambicans, Botswanans and Portuguese refugees from Central Africa, who have been arriving in Portugal by the thousands.

The only difference in applications now, she said, is that applicants must show proof of return tickets before they are granted visas. She pointed out that SA naturalised Portuguese-speaking people are no longer considered Portuguese.

A Spanish Embassy spokesman also denied that new restrictions are being placed on SA visa applicants. He said a new system, introduced on November 1, has brought regulations for visa applications in line with those required worldwide.

"Before we did not press for too much information. Now we want to know which hotels they will stay at, whether they have bookings, sufficient funds (a minimum of \$50 per day), that sort of thing," he said.

Incoming tourism to SA is nearly

dead and SA tourists now spend closer to home, says Asata, because overseas destinations have out-priced SA pockets and red tape on visa applications has increased.

Another development, according to Asata — which has tried to assess the effect of boycotts and sanctions on SA — is that, as visa applications to European countries are being tightened, the Far East is becoming a more popular destination for the SA tourist.

However, at home, South Africans spend more time travelling through the country and are not staying at hotels. Instead they appear to be "packing the kids into the back of the station wagon and driving down to a rented cottage".

Asata maintains that this is because local hotel room rates are still too high and, as a result, hotel bed-nights are declining.

Also, the holiday/property industry is booming at the expense of local hoteliers, they say, but point out that timeshare units have "turned out a pricey disaster for the singles market, which chooses to take holidays in a more haphazard manner".

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CSO: 3400/464

SACC, HINDU GROUP DEFEND MUSLIMS IN PROTEST

Durban POST NATAL in English 5-8 Nov 86 p 7

[Text] THE SA Council of Churches (SACC) has paid tribute to Muslims for their part in the struggle for "justice, peace and freedom in South Africa", and the South African Hindu Dharma Sabha has defended Islam as a "pure religion".

The SACC's view was contained in a message to a meeting in Lenasia at the weekend arranged by the "Call of Islam" organisation to protest against the NGK synod's declaration of Islam as a "false religion".

The message from SACC general secretary, Dr

Beyers Naude, said: "On behalf of the SACC and its member churches I wish to assure you of our wholehearted support in your well justified protest. The statement by the general synod of the Dutch Reformed Church that Islam is a 'false religion' speaks of such contempt and disregard for the feelings of our Muslim sisters and brothers in this country that we are appalled and extremely distressed. We want to assure you that we are very deliberately taking distance from this derogatory resolution.

"Finally," said Dr Naude, "we want to pay tribute to Muslims, past and present, for their

participation in the struggle for justice, peace and freedom in South Africa."

Dr Allan Boesak, of the Sendingskerk and president of the World Alliance of Reformed Churches, said in a message to the meeting: "We stand by the call of Islam and the Muslim community in this hour of hurt — a deliberate and callous hurt because the Muslims have taken up their rightful role in the struggle for justice in our country. Let the NGK repent for 40 years of sin, for so stubbornly holding

on to false version of Christianity."

Other organisations that sent messages of support included the UDF-affiliated Transvaal Indian Congress and Jews for Justice.

■ In Durban, the South African Hindu Dharma Sabha defended Islam, saying it was a "pure religion".

President Mr Ram Maharaj said the NGK's attack was "fanning the flames of religious hostility in an already sadly fragmented South Africa".

Mr Maharaj said the

attack was not only unwarranted, but also baseless.

Professor Syed Salman Nadvi, head of the Department of Islamic Studies at the University of Durban Westville, said the NGK's resolution was not only destructive, but it also failed to promote mutual understanding for inter-racial and religious tolerance.

He said he was astounded by the synod's claim that any religion which did not regard Jesus Christ as a Saviour was to be denounced and regarded as "false".



## KWAZULU'S RECOVERY PLAN DEBATED AS ALTERNATIVE TO SANCTIONS

Durban THE DAILY NEWS in English 4 Nov 86 p 14

[Article by Graham Spence]

[Text]

**T**HE multi-billion-rand Recovery Plan drafted last month by the KwaZulu Government to hasten a stable post-apartheid society is being marketed overseas as a positive blueprint to protect Western interests in South Africa.

Whether the plan — initiated by KwaZulu Minister of Education and Culture, Dr Oscar Dhlomo — is feasible is still being debated by the United States and European leaders.

But regardless of the outcome, it is heralded as to date the only positive counter-response to claims by Western leaders that sanctions are the only way to force the South African Government to change.

It bluntly states that sanctions are part of the problem, not the solution, and the West should not be surprised if it ends up with a "hostile Government" in this region.

"The West has repeatedly asked what alternatives there are

apart from sanctions to force reforms. Here we provide one," said Dr Dhlomo on his return from a trip to Europe to market the plan.

The thrust of the South African Recovery Plan is based on the carrot and stick principle, with attractive incentives being offered to the Government for any genuine reforms implemented.

Such incentives would be in vital cash injections from the West to stimulate the ailing economy with direct benefits to underprivileged communities.

Dr Dhlomo said it was also the first apartheid-eliminating plan to emerge that did not approach the South African Government with a "negative and punitive" attitude.

The principles were outlined at a broadly representative symposium by the Foundation for European and International Co-operation in Frankfurt, West Germany.

Dr Dhlomo said he had had a fair hearing.

"I think it was the first time they had heard of any action plan for South Africa that didn't involve sanctions."

Dr Dhlomo said the main problem for moderate black leaders was that the West seemed determined to "destroy South Africa in order to save it".

This precipitated a vicious circle as the South African Government was unlikely to offer any major reforms while violence continued, and violence was likely to continue in the absence of major reforms.

"An equally Catch 22 situation is that there will be no reform without economic growth, but no economic growth without reform."

"What should genuinely concern Western countries is the question: after apartheid, what?"

"It is not unlikely that if the West is not careful it might see apartheid destroyed, only to be replaced by a system far more vicious and inhumane than apartheid itself."

Dr Dhlomo said that

instead of relying on sanctions to get rid of the present Government, the West must now start planning for the type of socio-political order it would prefer to see once apartheid had been dismantled.

In this regard it should encourage advocates of peaceful change such as Chief Mangosuthu Buthelezi, Chief Minister of KwaZulu and leader of Inkatha, who for decades had actively worked to replace apartheid with a system compatible with Western democratic norms.

"Some Western countries continue a

vain search for democrats among totalitarian liberation movements.

"They search for nationalists among communist organisations and they search for free-marketeers among Marxist organisations.

"They search for advocates of peaceful change among revolutionary liberation movements.

"Yet we are there and we have not wavered in our political convictions for decades!"

The plan basically proposes a massive input of aid into the country — with explicit provisos that apartheid is dismantled as rapidly as possible.

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CSO: 3400/499

COMMENTATOR'S VIEWS OF PFP MEMBERSHIP RECRUITMENT CAMPAIGN

Durban POST NATAL in English 5-8 Nov 86 p 10

[Article by Ameen Akhalwaya in "My View" column]

[Text]

IT may sound patronising, but one really doesn't know whether to laugh or cry for the Progs.

They have done sterling work in exposing the many injustices in this country, and they have some very capable members in Parliament.

I admit I am among those who, when the need has arisen, have contacted the PFP in the hope they might raise a particular issue in Parliament.

But since the law forbidding racially mixed parties was scrapped, the Progs have been accused of scraping the bottom of the barrel in their bid to sign on black members.

And they have been accused of being politically opportunistic for trying to recruit members during the state of emergency which has not allowed extra-parliamentary organisations to function properly.

In Lenasia, the stronghold of the Transvaal Indian Congress/UDF, the Progs have come under heavy fire from activists.

The PFP's Lenasia branch chairman, Mr Brian Sigamoney — whose late grandfather, the Reverend BL Sigamoney, was a doughty and highly respected sports and community leader — says he is aware of the opportunism charge levelled at the PFP, but denies it is true.

The PFP has to go on functioning, he says, but it has been placed in an invidious position by the state of emergency.

He says the PFP has some 200 members in Lenasia. But though the Progs have described them as "prominent," they have not ventured into public. All the same, the Progs have had the guts to set up recruiting tables in busy

areas. And on October 21 they held their first public meeting in Lenasia.

This is how things went:

It starts in the tiny Anglican church hall with 24 people present.

A few minutes later the number swells to 26.

They include Mr Sigamoney, one or two other PFP supporters, guest speaker Mr Rupert Lorimer (chairman of the PFP's outreach committee), two or three apparently unaligned members of the public, me, and the rest UDF supporters, mainly students.

The softly-spoken Mr Sigamoney opens the proceedings, saying it is a "semi-public" meeting. A UDF supporter says in an aside: "To give us their semi-baked policies."

Mr Sigamoney explains that the PFP is holding similar meetings in the Southern Transvaal to speak about the crisis in South Africa. He introduces Mr Lorimer.

As Mr Lorimer rises to speak, a student rises too, saying the crisis has

arisen from the state of emergency, which was aimed at the UDF and its affiliates and was reflected in the banning and detentions of its members.

"We can't accept the PFP, which operates in Parliament," says the activist.

Mr Lorimer asks if the activist believes in free speech, because "freedom is indivisible".

Amid a welter of interjections, the activist says: "With certain conditions, yes, but not while our leaders are on Robben island or banned or jailed while the PFP has free reign."

Another member of the audience then stands up to say he has come to listen to Mr Lorimer, and demands that the PFP official be given a chance to speak. He is ignored.

The activist, speaking on behalf of his colleagues, then speaks about the roles and views of a couple of controversial PFP members such as MP Mr Horace van Rensburg.

Mr Lorimer gives an explanation, but that does not satisfy the

audience.

Further interjections follow.

"I hope we are going to be civilised and have an orderly discussion," says Mr Lorimer, but his words are drowned out.

A member of the audience remarks: "I suppose you are now going to define civilisation to us."

Mr Lorimer offers to "make a bargain" — if the activists listen to him, he will listen to them.

Someone remarks: "This is not the Oriental Plaza to make bargains."

The activists don't accept the deal, and start filing out, one or two shouting: "Viva ANC!"

Within moments, only Mr Sigamoney, Mr Lorimer, and I are left in the hall. The "semi-public" meeting is officially over.

It has lasted less than 10 minutes.

A handful of people return to the hall for the "post-mortem".

Just then, a policeman arrives, saying he has been phoned and told there might be problems.

Mr Lorimer says the PFP didn't called the police, and there are no problems.

A few minutes later the policeman returns, wanting to know if the people in the hall are sure everything was all right. He is given the assurance, but he asks Mr Lorimer to give him his name.

The policeman leaves.

A few minutes later, a senior official of Azapo and a senior official of the Transvaal Indian Congress arrive, only to find the meeting is over.

And a few moments after that, a handful of Azapo supporters arrive to find the hall empty.

After the meeting, Mr Lorimer says he is sorry he wasn't allowed to state his case.

"We are sympathetic (to the activists) and understand the depth of feeling against the Government, but instead of fighting each other, opponents of apartheid should stand together."

The PFP, he adds, will continue to operate quietly in Lenasia by holding house meetings to explain its policies, and signing up members.

"We have a growing membership which in terms of the total community is small, but we have been very encouraged so far," he adds.

Except that if only a handful more of those 200 had turned up at the meeting, the PFP might have been saved the embarrassment.

What the meeting did show is that the Progs are out of touch with the prevailing political mood in Lenasia.

If they dispute that, they should contest a couple of elections here. There is a vacancy in the local management committee, and if the NPP's Abie Choonara resigns his parliamentary seat, it could try for a direct say in the House of Delegates.

The PFP may win both seats. It could even get them for a bargain — few people will turn up to vote.

# HOME PATROL FIRMS PROLIFERATE IN JOHANNESBURG

Johannesburg BUSINESS DAY in English 5 Nov 86 p 9

[Text]

BURGLARS are not the only ones jumping on the crime bandwagon — some 25 to 30 home patrol firms have set up shop in Johannesburg. Three years ago there were none.

Home patrols have become fashionable in the northern suburbs where, security experts say, they are carving a niche in a society that no longer trusts police protection.

But police disagree. When asked if police have lost control of the suburbs because of the large forces being deployed in the townships, an SAP spokesman avoided the question.

"It is so that the unrest situation places an extra burden on the SAP," the spokesman said. He said the duties of security firms "differ vastly" from those of the SAP and that private firms could never take over police duties.

Security industry executives are not convinced. They point to the small number of policemen per population in SA as an ideal spawning ground for both crime and private security forces. The SAP admit there are only 1,6 policemen per 1 000 citizens in SA against the Western norm of six to 10 per 1 000.

Jeremy Frere, who pioneered the First Force patrol at Fidelity Guards, explains: "The existence of the urban guerrilla has allowed these tactics into the home situation."

He says homeowners, particularly in Johannesburg's northern suburbs, realise the police are overworked and

have logically turned to home patrols to safeguard property. Patrol firms make regular night inspections of homes and promise to be on location within four minutes if an alarm is set off at a residence.

The head of Unisa's criminalology department, Professor T J Van Heerden, says the rise in private security is merely "the old idea of collective security" in a new form.

John Hammill, director of Pritchards Services Group SA, says private enterprise has seen a gap in the market and exploited it.

But some observers question whether it is the responsibility of the police or private citizens to ensure safety.

Elaine Barsotti, MD of Johannesburg's first patrol service, Sandton Sentry Security, argues patrol services are not unique to SA. She says rising suburban crime is "not the fault of the police but of the baddies".

But the vice-president of the Security Association of SA, Gerd Cruywagen, says the unwillingness of the police to respond to alarms has paved the way for security firms.

Police no longer monitor private alarm systems because 80% of call-outs are false alarms. A high workload has also played a role.

/12828

CSO: 3400/499

UNIVERSITY CONDUCTS PILOT STUDY OF LIFE IN 'GREY' AREAS

Johannesburg THE STAR in English 14 Nov 86 p 13

[Article by Claire Robertson]

[Text]

A pilot study into the racial attitudes of people living in grey residential areas has shown that familiarity breeds content.

Chairman of the Department of Development at the Rand Afrikaans University, Mr Johan Fick, and researchers Mrs Nellie Olivier and Mr Christo de Coning have completed a pilot study into socio-political perceptions in Johannesburg's grey or racially-mixed flatland areas of Hillbrow, Joubert Park and Berea — with significant results, according to Mr Fick.

The report said pockets of integrated residential settlement have become characteristic of most of the larger South African cities— for example, Salt River, Landsdowne, Wynberg, Observatory and Woodstock in Cape Town, Clairwood and Greyville in Durban and Hillbrow, Berea and Joubert Park as well as Mayfair in Johannesburg.

"It seems that experience of inter-racial contact promotes a greater propensity to the willingness of sharing amenities and service," the report said.

"This positive response towards sharing was in all instances significantly higher than comparable results of a Human Sciences Research Council study (conducted among the white community) which included in its respondents those without intimate experience of inter-group contact."

The survey showed majority support for sharing a wide variety of public and private sector amenities with other race groups.

Significantly, the report says, all these amenities and services are generally already open to all races.

The amenities included sporting facilities, libraries, churches, supermarkets, parks, cinemas, restaurants, tertiary education, discos and the same flat or building.

Support for sharing them ranged from 50 percent to nearly 80 percent.

The sharing of hospitals and public transport, although still partially or wholly racially segregated, also received support.

More than 60 percent of white South Africans canvassed in the Hillbrow, Berea and Joubert Park areas said they were willing to share hospitals with other race groups.

"Respondents are generally more willing to share facilities in which a greater freedom of choice is available — for example, choosing your own church, cinemas and restaurants."

The majority of all groups — blacks, coloureds and whites — canvassed in the three suburbs was in favour of allowing all to participate in city council elections, the study showed, although it was clear that blacks and coloureds saw the sharing of amenities as more important than power sharing in the city.

Among white South Africans surveyed there was far less willingness to share in "sensitive" areas like primary and secondary education, public swimming pools and public toilets — although the Johannesburg municipality recently removed all signs of petty apartheid from the latter without actually announcing their desegregation, a health department spokesman said yesterday.

"A fair majority" of people canvassed in the grey areas of the city think that they maintain good relations with residents of another colour group.

### **'Most intriguing**

"Although some hesitation exists among the white group on the question of open residential settlement, a substantial level of inter-racial harmony exists among residents of all groups," the report says.

Probably the "most intriguing" finding was the discrepancy between the apparent willingness of whites to share their residential area with other race groups and their negative views on the possible repeal of the Group Areas Act, the report said.

More than 54 percent were willing to share their area with other races, while only 37,7 percent were in favour of the repeal of the Group Areas Act.

"We suspect that the Act is seen by residents to be a legal mechanism whereby their neighbourhood can be protected from severe character change — a sort of insurance policy against swamping," the report said.

However, "whereas foreign whites tend to be substantially more tolerant than white South Africans when it comes to sharing amenities

such as schools, cinemas and public toilets with other races, they registered a seemingly more conservative view regarding the possible repeal of the Group Areas Act than even white South Africans," the report said.

Only 24 percent of white immigrants were in favour of legal grey areas, as compared to 41,9 percent of white South Africans canvassed, but 68 percent of the immigrant group had no objection to sharing the same flat building with blacks.

The researchers found that a particularly significant group in the grey areas "seems to be the 'trapped' older, lower income persons with a limited ability to migrate elsewhere".

More than 90 percent of those opposed to sharing of amenities with other race groups lived in flats and had an average monthly rental of less than R400, and 58 percent were 46 years old and older.

"These individuals, who are in most cases the least equipped to handle drastically changed situations of inter-group contact, are in fact compelled to cope with completely new conditions in the sphere of human relations.

"They have all the potential of becoming a socially and politically alienated group."

[Box, p 13]

Flatland 30 pc Black -- RAU Report

Rand Afrikaans University researchers have estimated that almost 30 percent of people living in South Africa's three most densely populated "white" areas are black.

Of the 65 000 estimated to be living in Hillbrow, Joubert Park and Berea, about 9 000 are coloured, 6 000 Indian and 5 000 black.

Mr Johan Fick, chairman of RAU's Department of Development, said yesterday the racial character of the areas showed how ineffectual the Group Areas Act had been.

The department chose the three suburbs to establish the attitudes of people already living in a multiracial society —

as opposed to other surveys which, the report said, canvassed whites whose "perceptions of relations over the colour line are not primarily determined by intensity of day-to-day practical contact situations".

The report said the area surveyed had a total residential property value representing 38 percent of all of Johannesburg's 581 suburbs. The only other "white" Johannesburg suburb housing a comparable number of black, coloured and Indian people was Mayfair, which was not taken into account in the pilot study because of its different geographical and socio-economic nature.

However a superficial ex-

ploratory study undertaken in Mayfair, the report said, revealed an apparent discrepancy between the politically motivated views of some residents (flowing from association with right-wing political parties) and the financial advantages these same people were taking due to the character change their neighbourhood was undergoing.

"Their political sympathy lies with the Conservative Party or Herstigte Nasionale Party but they eagerly sell their houses at above market prices to eager Indian buyers or even, for a handsome fee, operate as so-called nominees for well-to-do Indians to circumvent the Group Areas Act."

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CSO: 3400/464

## BRIEFS

MOST WHITE HOMES IN PWV--Nearly 40% of SA's white dwellings are in the PWV area, says a survey released yesterday by Unisa's Bureau for Market Research. Last year, all the dwellings in SA and the TBVC homelands--occupied and unoccupied--totalled 5,6-million. Blacks occupied 3,4-million of these and whites 1,6-million. Just more than 29% of black dwellings are in Natal, KwaZulu and northern Transkei. The Johannesburg district has the most white dwellings (157 000) and Wynberg, Cape, the most coloured dwellings (89 000). A significant finding indicating the extent of the platteland-depopulation process was the low occupation figures in a large number of rural areas. The highest percentage of permanently occupied white houses was in the PWV area (4% more than the national average) and the lowest was in the Northern Cape (16% below average). Standerton had the highest growth in the number of white homes between 1980 and 1985--37% above average. [By Gerald Reilly] [Text] [Johannesburg BUSINESS DAY in English 11 Nov 86 p 4] /13046

NEW LANGUAGE FOR PRETORIA--According to the Human Sciences Research Council, Pretoria Sotho, has established itself in Pretoria, cutting through cultural and ethnic barriers among blacks in the region. The language, of which the HSRC has made an in-depth study, allows speakers of various African languages such as the Northern Sotho, Tswana, Zulu and Ndebele to communicate with one another. The HSRC newsletter, compiled by Dr G K Schuring, highlights the following points: -An investigation in 1952 by the University of Pretoria into the composition of the population of Atteridgeville revealed that only 53 percent of the married subjects had married into their own dialect group. -An HSRC investigation revealed that 40 percent of the 619 adults and 57 percent of the matric pupils interviewed in Pretoria were the offspring of mixed marriages. "Pretoria Sotho, which is basically a Sotho language, is not only spoken by members of the Sotho families but also by 71 percent of the respondents of mixed marriages, such as Sotho marrying non-Sotho, and even by 38 percent of the people from non-Sotho marriages, such as Ndebele marrying Ndebele or Zulu marrying Zulu." Dr Schuring described Pretoria Sotho as a mixture of languages. Pretoria Sotho, he added, was used for everyday communication by most of the approximately 300 000 black inhabitants of Pretoria. "But the informal colloquial languages are not used in formal situations or in documents where the standard languages (such as Northern Sotho and Tswana) are preferred." [By Sol Makgabutlane] [Text] [Johannesburg THE STAR in English 14 Nov 86 p 13] /13046



COSATU CONDEMNS PLATINUM PLANT MOVE--A meeting of the Congress of SA Trade Unions (Cosatu) central executive committee this weekend condemned the decision of Mathey Rustenburg Refiners to relocate its Wadeville platinum refinery in Bophuthatswana. Cosatu described the move which, it said, was taken without consulting the Chemical Workers' Industrial Union, as reflecting support for "apartheid's bantustan policy". The meeting also demanded that General Motors reinstate all workers dismissed during the present strike and "accede to all demands of workers". It listed a number of conditions to which companies planning to disinvest should adhere. Cosatu further condemned the "violent attack on unarmed and defenceless workers" at the Metal and Allied Workers' Union annual general meeting at Curries Fountain, Durban, on Sunday. Meanwhile a delegation from the Chamber of Mines met officials of the Department of Manpower yesterday for talks over the ban on Mozambican migrant labour, which was imposed after a landmine explosion in Natal several weeks ago. After the meeting, the chamber would only confirm that it had taken place and that talks would continue. However, the mining industry is concerned about the ban, which effectively prevents the recruitment of Mozambicans and the renewal of contracts of those already working in SA. [By Alan Fine] [Text] [Johannesburg BUSINESS DAY in English 18 Nov 86 p 5] /13046

CSO: 3400/464

## LIST OF COMPANIES BARRED FROM U.S. MARKETS

Cape Town THE ARGUS in English 13 Nov 86 p 10

[Text]

WASHINGTON. — South African companies barred from exporting to America are:

African Body and Coach (Pty) Ltd (Putco subsidiary), Alein Karoo Landoukoooperasie Ltd, Altana (Pty) Ltd, Aluminum Investment Co (Pty) Ltd, Lausaf (Pty) Ltd, Alustang (Pty) Ltd, Alzira Financial (Pty) Ltd, Andromeda Electronic Systems (Pty) Ltd, Armaments Corporation of SA Ltd, Atlantis Aluminum (Pty) Ltd, Atlantis Diesel Engines (Pty) Ltd, Atlas Aircraft Ltd, Atomic Energy Corporation of SA, Ayon Wire (Pty) Ltd (Union Steel subsidiary).

Bophuthatswana National Development Corporation Ltd, Cape Town Iron & Steel Works (Pty) Ltd (Iscor subsidiary), Central Energy Fund (Pty) Ltd (and subsidiaries), Ciskei People's Development Bank, Coastal Coal (Pty) Ltd (Iscor subsidiary), Commission for Fresh Produce Markets, Community Development Fund, Computer Technology (Pty) Ltd (Comtec), Co-operative Wine Growers (KWV) Corporation for Public Deposits, Council for Scientific and Industrial Research and its subsidiary institutes.

Crown Body & Coach (Pty) Ltd (Putco subsidiary), Dalestone (Pty) Ltd (Iscor subsidiary), Department of Posts and Telecommunications, Development Bank of Southern Africa, Donkerhoek Quartzite (Pty) Ltd (Iscor subsidiary), Dubigeon Plastics SA (Pty) Ltd (Putco subsidiary), Dunswart Iron & Steel Works Ltd (Iscor subsidiary), Duntex Property (Pty) Ltd, The Durban Navigation Collieries (Pty) Ltd (Iscor subsidiary), Electricity Supply Commission (Escom), Eloptro (Pty) Ltd (Armscor subsidiary).

Ernani Property (Pty) Ltd, Export Finance Development Co (Pty) Ltd, First National Development Corporation of SAW Ltd, Fisheries Development Corporation of SA, Foscem (Pty) Ltd, Grootageluk Coal Mine Construction Co (Pty) Ltd (Iscor subsidiary), Heckett SA (Pty) Ltd (Iscor subsidiary), Hall and Pickles (Coastal) (Pty) Ltd (Union Steel subsidiary), Holbane Colliery (Iscor subsidiary), Hooggenoeg Marketing (Pty) Ltd (High Enough), I Stores (Pty) Ltd (Iscor subsidiary).

Imcor Tin (Pty) Ltd (Namibia) (Iscor subsidiary), Imcor Zinc (Pty) Ltd (Namibia) (Iscor subsidiary), Industrial Development Corporation of SA Ltd, Industrial Minerals Development Co (Pty) Ltd, Infolan International Karakul Secretariat, Iscor Berlin (Pty) Ltd (Iscor subsidiary), Iscor Utility Stores (Pty) Ltd (Iscor subsidiary), Kangwane Economic Development Corporation Ltd, Kentron (Pty) Ltd, Kindoc Group Konbel (Pty) Ltd, Konchem (Pty) Ltd.

Konoil (Pty) Ltd, Kwandebale Development Corporation Ltd, Kwazulu Finance Investment Corporation Ltd, Land and Agricultural Bank of SA, Land and Agricultural Bank of SWA, Lebowa Development Corporation Ltd, Light Metals Investment Co (Pty) Ltd, Lyttelton Engineering Works Ltd, Marmain (Pty) Ltd, Mavaco (Pty) Ltd, Mercedes Datakor (Pty) Ltd, Minsa (Pty) Ltd (Iscor subsidiary), Motor Vehicle Assurance Fund Musgrave (Pty) Ltd, Nabucco Investments (Pty) Ltd.

Naschem National Building and Investment Corporation (SWA), National Materials Service Corporation (Pty) (Union Steel subsidiary), National Selections (IDC subsidiary), Navik (Pty) Ltd, Ootra Inmakers (Pty) Ltd (Eastern Packers), Palafof (Pty) Ltd, Phosphate Development Corporation Ltd (Foskor), Pietersburg Iron Co (Pty) Ltd (Iscor subsidiary), Post Office Savings Bank, Pretoria Metal Pressings, Public Investment Commissioners, Putco Ltd, Qwaqwa Development Corporation Ltd.

Rand Water Board, Rehoboth Finance and Development Corporation Ltd, Reinsurance Fund for Export Credit and Foreign Investment, Rosamond Properties (Pty) Ltd, Rustenberg Industrial Finance (Pty) Ltd, Saldok (Pty) Ltd, Sapekoe (Pty) Ltd (and subsidiaries), Sasol Ltd (and subsidiaries), Sasol Three (Pty) Ltd, Satchem (Pty) Ltd, Shangaan-Tsonga Development Corporation Ltd, Siemens Ltd, Small Business Development Corporation, Somchem (Pty) Ltd, SA Abbatoir Corporation.

SA Abattoir Commission, SA Banana Board, SA Banknote Co, SA Broadcasting Corporation, SA Canning Fruit Board, SA Chicory Board, SA Citrus Board, SA Cotton Board, SA Dairy Board, SA Deciduous Fruit Board, SA Development Trust Co Ltd, SA Dried Fruit Board, SA Dried Bean Board, SA Egg Board, SA Gas Distribution Corporation Ltd, SA Inventions Development Corporation, SA Iron and Steel Corporation (and subsidiaries) (Iscor), SA Karakul Board, SA Lucerne Seed Board.

SA Maize Board, SA Meat Board, SA Mint, SA Mohair Board, SA Oilseed Board, SA Potato Board, SA Reserve Bank, SA Rooibos Board, SA Sugar Association, SA Tobacco Board, SA Transport Services (including SAA), SA Wheat Board, SA Wool Board, South Atlantic Cable Co, Southern Oil Exploration Corporation (Pty) Ltd (Soekor), Southern Oil Exploration Corporation (SWA) (Pty) Ltd, SWA Broadcasting Corporation, SWA Karakul Board, SWA Water and Electricity Corporation (Pty) Ltd.

Steel Sales Company of Africa (Iscor subsidiary), Suprachem (Pty) Ltd (Iscor subsidiary), Swartklip Products (Pty) Ltd, Tecnetics (Pty) Ltd, Thames Wire and Cable (Pty) Ltd, Transkei Development Corporation Ltd, Transvaal Copper Rod Co Ltd (Union Steel subsidiary), Tshikondeni Mining Co (Pty) Ltd (Iscor subsidiary), Tusitala (Pty) Ltd, Union Steel Corporation, Usko Aluminum Corp (Pty) Ltd (Union Steel subsidiary), Usko Aluminum Systems (Pty) Ltd (Union Steel subsidiary).

Usko Huiseienaars (Pty) Ltd (Union Steel subsidiary), Usko Kabelmaatskappy (Pty) Ltd (Union Steel subsidiary), Vantin (Pty) Ltd (Iscor subsidiary), Veldmaster (Pty) Ltd (Union Steel subsidiary), Veldmaster Incorporated (Union Steel subsidiary), Venda Development Corporation Ltd, Virema (Pty) Ltd, Voms (Pty) Ltd (Putco subsidiary), Voms Parts (Pty) Ltd (Putco subsidiary), Vryheid (Natal) Railway Coal and Iron Co (Iscor subsidiary), Yskor Landgoed (Pty) Ltd (Iscor subsidiary), Yskor Newcastle Grondbesit Ltd (Iscor subsidiary). — Sapa-Reuter.

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CSO: 3400/494

PUBLIC, PRIVATE SECTORS EYE WAYS OF COPING WITH SANCTIONS

Johannesburg BUSINESS DAY in English 11 Nov 86 p 17

[Article by Stephen Rogers]

[Text] WITH the sanctions net drawing tighter around SA, government and many private bodies are presently exploring various means to circumvent these punitive measures.

Pat Corbin, president of the Johannesburg Chamber of Commerce, believes, however, that we may be premature in drawing conclusions on the effects of sanctions.

"Although a lot of sanctions legislation has been passed (in Europe and America) we do not yet know how punitive the final laws will be in practice."

This was illustrated recently when Denmark voted to ban trade links with SA.

However, Danish firms were given a six-month period to adjust, and those heavily dependant on SA goods may apply for an exemption period of up to two years.

"If we take the original EC proposals to ban coal exports there are still too many questions unanswered. Will it affect current contracts? How will it affect quasi-government bodies that have contracts with SA?"

"Furthermore, the element of self interest must be taken into account. West Germany is showing considerable opposition to the proposed ban because she is a major customer, while other countries not affected are making renewed sanctions demands."

But most people believe it is inevitable some form of effective multi-lateral sanctions will be implemented. What effect will this have on the SA economy?

"Sanctions — which will concentrate primarily on our exports — will deprive SA of vital foreign exchange earnings," says Corbin.

Exporters are already subject to "informal" sanctions and have lost orders, been forced to export at lower prices or to provide special terms and conditions in order to retain markets, as foreign customers levy a political discount on SA goods.

Exports to the US and Scandinavian countries have been particularly affected in this manner.

Furthermore, although the fall in the rand has assisted exporters, this advantage has been negated by exporters being required to give extended credit terms to retain markets.

As the rand starts to rise and with SA's relatively high inflation so exports will further lose their competitive edge.

The restriction on exports through sanctions — formal and informal — will lead to a shortage of foreign exchange.

Not only will this reduce SA's ability to import but will also, in all likelihood, lead to government tightening its control on an already highly regulated economy.

Measures may be introduced to regulate imports, the allocation of foreign exchange, and ultimately the means of allocation of scarce resources in the economy.

Financial sanctions — which caused an outflow of foreign capital and resulted in the foreign debt standstill — have already retarded economic growth. Furthermore, it has been estimated multi-lateral sanctions will result in over one-million jobs being lost, primarily in export-related industries.

Another effect sanctions have already had is the draining of confidence from the business community.

How then does SA cope with the sanctions threat?

"The sanctions problem cannot be dealt with by one party in isolation. There must be an awareness that all sections of the community have a vested interest in fighting sanctions and keeping our export markets open.

For example, importers may not believe that they will be affected but if SA does not earn sufficient foreign exchange then the supply to importers will have to be rationed."

The private sector has already been in consultation with government on the need to maintain exports.

Apart from earning vital foreign exchange, exports serve to keep trade links open, thereby negating the desired affect of sanctions.

With the emphasis on exports it has been suggested that government provide financial assistance to those exporters faced with cashflow problems. It is believed government export incentives are presently being revised.

As sanctions are applied to SA's primary markets, alternative markets will be found through which exports can be channeled.

"Creating alternative markets shouldn't be too difficult. We have had numerous offers of help from abroad in this matter. However, it may mean we will have to enter less sophisticated markets with a reduction in profitability," says Corbin.

SA goods could also by-pass sanctions by legitimately changing their country of origin. If the final process of production takes place, for example, in Swaziland, then goods may be classified as produced in that country.

This practice already exists in Europe where US set up the final stage of production in an EC country in order to avoid the community tariffs.

Counter-trading agreements — which are practised in many Western countries — could also be adopted. In these agreements foreign tenderers, in return for contracts, are asked to give a commitment to develop SA exports.

It is estimated that more than 25% of SA's trade passes through international trading houses at present. With international associates ensuring an effective

spread of SA goods in world markets, these institutions could be used to funnel further trade abroad.

SA has the means, to a certain extent, to circumvent the sanctions campaign, albeit at the cost of restricted economic growth and higher unemployment.

However, the success of any counter-sanctions move will depend on measures being adopted in anticipation of sanctions rather than in response to them.

"If a foreign market is lost through sanctions it will be difficult for us to regain it," Corbin warns.

SINCE the reduction of the oil traffic around the Cape coast, the Court Helicopter service has been considerably reduced.

Court MD Jeremy Labuschagne says in spite of this, the company has sustained its level of service exports by seeking other functions and areas that extend as far as South America.

The ships' service was the largest of its kind in the world and the Court range of helicopters transported 59 500 passengers to and from moving ships off the SA coastline, and supplied over 45-million kilograms of freight (or bunkers) to ships passing through SA waters.

Using its fleet of helicopters, Court still operates a 24-hour, seven-days-a-week helicopter service carrying bunkers, crew changes, paint, movies and occasionally technicians to ships passing SA ports.

The service means ships neither have to put into port nor do they have to anchor, but can continue on course.

Except when there are passengers to be transported, the helicopter does not even have to land, but lowers rope-loads of fresh vegetables, fresh meat, post and other ships' requirements on to the deck.

To compensate for the decline in shipping over the past few years, Court has expanded its operations to aerial spraying, game control, offshore oilrig support, survey and salvage missions.

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WESTERN CAPE MANUFACTURERS SEEK MARKETS IN AFRICA

Cape Town THE WEEKEND ARGUS (Business) in English 8 Nov 86 p 2

[Article by Derek Tommey]

[Text] MANY export markets exist in Africa for manufacturers in the Western Cape, says Mr Gunnar Hagelberg, a director of the recently formed Cape Town-based export and import consultancy, Scan International.

Mr Hegelberg, a Swedish citizen who has lived in South Africa since 1975, said although threats of sanctions and consumer resistance trade between South Africa and the rest of Africa was increasing.

The suitability of South African goods for African conditions, competitive prices and speed of delivery, were expected to result in trade between South Africa and the rest of Africa exceeding R2-billion by a handsome margin this year.

Mr Hegelberg said he had started his consultancy to help the small and medium sized manufacturer. He and his team provided consultancy services and arranged representation and promotional activities in selected target countries.

Mr Hegelberg said there was no problem in exporting to Mauritius, Reunion or the Seychelles. It could be difficult exporting to Kenya but major items of equipment were still bought from South Africa.

Malawi was a good market but the problem was getting payment. Zaire and a number of West African states were also buying South African goods.

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CSO: 3400/494

TWO BUSINESSMEN SEEK TRADE WITH ALBANIA

Cape Town CAPE TIMES in English 17 Nov 86 p 2

[Article by Peter Dennehy]

[Text] TWO businessmen set off from Cape Town for Albania yesterday on a "fact-finding mission" to explore the possibility of trade with the friendless hardline communist country.

The two gave their names as Mr Desmond Tosk (British) and Mr David Geg (American). Their surnames are curiously similar to the names of the two main groupings of Albanians, the Ghegs and Tosks.

They said they had formed an "Albanian Aliyah Society" four or five months ago in South Africa.

"Aliyah" literally means "going up", but it can also be translated as "emigrating", Mr Tosk said. Apart from establishing diplomatic and trade relations, the two hoped to explore the possibility of South Africans emigrating to Albania.

Why Albania? Well, Mr Geg said, Albania was one of the most racially and ethnically homogeneous countries in the world, and many South Africans might like to escape from the diversity which apparently makes a country's problems so intractable.

**Export fruit**

"President Enver Hoxha is dead. His successor, Ramiz Alia, is opening up trade relations with the West."

Mr Tosk said he was already in the exporting business, and hoped to export fruit to Albania.

Asked whether a communist country was not likely to boycott South African fruit, he said he was confident Albania was sufficiently pragmatic to trade with anyone, as it was a "pariah" country.

Although Albania was the only country in the world with atheism written into its constitution, it had some good points, Mr Geg said.

The communists had raised the literacy level to 80 percent in the poverty-stricken country of 3 million people.

Albanians were proud of their special brand of "democracy", according to an article Mr Tosk gave the Cape Times.

Mr Tosk and Mr Geg expect to be back within a week.

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CSO: 3400/494

EXPERTS FEAR FIRMER GOVERNMENT HAND IN ECONOMY

Johannesburg BUSINESS DAY in English 7 Nov 86 p 3

[Article by Stephen Rogers]

[Text]

RECENT figures on government consumption spending have led to fears about the extent of government involvement in the economy and the commitment to privatisation and deregulation.

Government consumption spending grew, in real terms, by 5% in the year to June and, according to Reserve Bank economic adviser Roger Gidlow, has been the main stimulus behind the upswing in the economy.

Many economists believe these figures confirm a trend of increasing government involvement in the economy in the 80s. Public sector spending — as a percentage of gross domestic product — rose to 26% last year, from 22,1% at the beginning of the decade.

"This was in a period of economic difficulty and perhaps was inevitable as the public sector took up the slack in the private sector," says an economist.

Higher public spending has been advocated by many as a short-term policy for an economy in recession.

"This Keynesian policy may actually be desirable if it stimulates the economy in the absence of any improvement in the private sector," says Reserve Bank Governor Gerhard de Kock.

Hopefully, today's conference between government and business will allow the private sector to persuade government to reaffirm its commitment to privatisation and deregulation.

"Government must initiate a transfer of resources to the private sector which is productive in the utilisation of resources," says JCI economist Ronnie Bethlehem.

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CSO: 3400/469



## DE KOCK GIVES VIEWS ON INFLATION DURING SEMINAR

Johannesburg BUSINESS DAY in English 5 Nov 86 p 8

[Text]

**I**NFLATION remains a major problem in SA. In many developing countries a rate of inflation of between 16% and 20% might be viewed as "relatively low," but in SA we find it disturbingly high.

In this regard it is important to distinguish between two aspects of this debate.

The first is whether inflation is caused mainly by *excess monetary demand*, that is by overspending or "too much money chasing too few goods," or mainly by *non-monetary structural and/or cost-push factors*.

The basic significance of this distinction is, of course, that demand inflation presumably needs to be curbed by restrictive monetary and fiscal policies, whereas structural or cost-push inflation might perhaps be better counteracted by direct price-wage controls or guidelines, anti-monopoly policies and other direct or structural measures.

The Reserve Bank's view is that, during most of the past 25 years, the inflation in SA was caused mainly by excess demand fuelled by excessive money creation. At the very least, excessive monetary expansion was a necessary condition for the inflation.

The Bank fully accepts that structural and/or cost-push factors may in certain circumstances impart an *inflationary bias* to the SA economy. This is mainly because they can at times place strong pressure on the monetary authorities to "validate" autonomous price increases by means of large accommodative increases in the money supply.

**T**here can also be no doubt that phenomena, such as low productivity and inadequate competition, constitute serious economic problems which call for remedial action in their own right.

But the Bank rejects the view that these factors by themselves constitute the basic underlying "causes" of the inflation that has occurred in SA during the past 25 years.

It therefore also cannot accept that any strategy of restoring and maintaining reasonable price stability should be aimed principally at the direct removal or suppression of these non-monetary and non-fiscal "causes".

"Cost-push" and "demand-pull" factors are largely viewed by the Reserve Bank as interacting elements or different aspects of the same process, rather than as totally separate causes of different processes.

Autonomous cost-push influences cannot by themselves sustain an inflationary process. If not accommodated by monetary expansion, they are self-terminating. Accordingly, to the extent that the monetary authorities succeed in resisting the pressure for accommodation, the force of cost-push pressures should abate.

Whatever supplementary measures might be desirable, the application of an effective monetary and fiscal demand management policy must therefore, in the normal course of events, form the crux of any strategy against inflation.

There is much validity in the view that inflationary expectations and a tendency to link wage and salary increases to the rise in the consumer price index play an important role in the inflationary process in SA.

In theory, therefore, official wage-price controls or guidelines might shorten lags in the price index behind the demand restraining measures, and might reduce the real economic cost of curbing inflation. But the practical problems and more fundamental disadvantages that would arise from any such direct intervention would probably outweigh any such possible advantage.

**C**omprehensive direct wage and price freezes or controls cannot therefore be recommended for use under present SA conditions.

The upshot is that price and wage controls can at best treat the symptoms of inflation but never the real causes. Inflation artificially "suppressed" by direct controls is still inflation.

A particular responsibility rests on government and other public sector bodies to guide the labour market towards greater harmony with the aggregate demand policies of the authorities.

It must also be recognised that the influence exerted in this field by the public sector covers a broad range of "administered pricing," including the determination of the prices of many agricultural products, electricity, basic steel and transport and postal services.

**T**hrough the determination of these administered prices the public sector automatically exercises a powerful autonomous influence on the processes of wage and price formation and the pattern of *relative* prices in the economy as a whole.

The second aspect of the inflation debate is whether, in situations where it is accepted that the inflation is being caused mainly by excess demand, quantitative monetary controls should be used to reduce demand rather than market-orientated policies.

In this debate, as already indicated, the monetary authorities come down on the side of market-orientated instruments of monetary policy. These market-orientated methods can then be supplemented in exceptional circumstances by the use of the semi-market-orientated technique of varying the banks' cash reserve requirements.

Quantitative or "direct" methods of monetary policy, which attempt to suspend or bypass the operations of the financial markets, are avoided as far as possible.

This applies in particular to credit ceilings, deposit rate controls, lending rate controls (excluding usury rate restrictions), direct controls over private sector capital issues and import deposit schemes.

These controls not only obstruct the efficient operation of many financial markets but inevitably also lead to large-scale "disintermediation" and other distortions in the flow of funds in the economy. They therefore vitiate the attempts of the monetary authorities to exercise adequate influence over monetary demand.

In inflation, as in most other things, there is always the exception that proves the rule. I am referring here to the accelerated rate of inflation in SA during 1985 and 1986, which is difficult to explain in conventional terms.

**T**he inflation of the past 18 months has clearly not been demand inflation. The broad money supply M3 has risen over the past year by only about 10%, compared with a target rate of 16% to 20% between the fourth quarter of 1985 and the fourth quarter of 1986. In addition, total spending has been rising too slowly rather than too rapidly.

Nor has the inflation of the past two years been of a typically wage-push kind. As part of the inflationary spiral, wages and salaries have, of course, risen by more than productivity.

But they have risen by *less* than the rate of inflation, so that *real* wages and salaries have declined quite markedly.

Thus the rate of increase in the nominal remuneration per worker in the non-agricultural sectors of the economy, compared with the one-year-earlier level of remuneration, declined from 17,9% in the fourth quarter of 1985 to 10% in the first quarter of 1986, before accelerating again to 14,7% in the second quarter. *Real* remuneration per worker in the second quarter of 1986 was, however, still 6% lower than in the second quarter of 1984.

If the inflation of the past 18 months was neither *demand* inflation nor *wage-push* inflation, what kind of inflation was it then? What caused the consumer price index to rise by 19,7% between September 1985 and September 1986?

Clearly a major part of the answer lies in the depreciation of the rand from its relatively stable level of around US\$0,50 between January and late July 1985 to between US\$0,36 and US\$0,38 during most of the remaining part of 1985.

**M**oreover, unlike most other exchange rate depreciations, this particular one could clearly *not* be laid at the door of excess money creation and spending.

It was caused by an outflow of capital that occurred largely be-

cause of a deterioration in overseas perceptions of the domestic political and economic outlook, which resulted in a withdrawal by foreign banks of credits to SA banks and other enterprises and a net outflow of capital in other forms.

For this reason the upward pressure exerted on the price index by the depreciation of the rand was a form of cost-push rather than demand-pull pressure.

In these circumstances the monetary authorities deemed it undesirable to attempt to curb the rate of price increase by a new tightening of monetary policy. Such a tightening would have contributed little to removing the underlying causes of the exchange rate depreciation and the inflation, and would merely have delayed the domestic economic recovery.

Curbing inflation remains a high priority of official policy.

But when one is dealing with a rising consumer price index which is (exceptionally) neither the result of excess demand nor of undue wage-push pressure, then the short-term answer (equally exceptionally) does not lie in more restrictive monetary and fiscal policies.

In the months ahead the official short-term monetary and fiscal strategy will therefore remain growth-orientated.

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FEW FARMERS REAP BENEFITS FROM OVERFLOWING LIMPOPO RIVER

Johannesburg THE STAR (Metro) in English 6 Nov 86 p 3M

[Article by Dirk Nel]

[Text]

MESSINA — The Limpopo River came down in flood this week — for the second time in 12 months.

But only a few farmers will be able to capitalise on the mighty volume of water.

There is no dam in the river, no canal system, and a lack of proper pumping facilities, farmers say.

Fed mainly by the Shashi river, after heavy rains in Botswana, the Limpopo was still flowing 500 m wide today in places between Pont Drift and Messina.

LIKE MUSIC

"The sound of the river lapping its banks is like music to our ears," said Mr Cyril Fisher, of River Farm, near Messina. "We haven't had good rains for six months."

Mr Fisher and his neighbours sometimes channel water into their lands, to augment their electrical irrigation systems.

This time, he said, he wasn't very successful, as the run-off went mainly towards the Zimbabwean bank of the river.

On the farm of Mr Johan de Villiers at Weipe, huge pipes are being used to pump water into reservoirs. Water is vital to him as he is one of South Africa's biggest sweetcorn producers and supplies a nationwide chainstore throughout the year.

FILL THE VAAL DAM

"It makes you want to cry when you see all this precious water flowing to waste to the sea," said Mr de Villiers's wife, Frieda, as she supervised packing operations for a waiting South African Transport Services truck.

A senior Defence Force officer in the area said a quantity surveyor had told him this week's volume of Limpopo water would have filled the Vaal Dam in just 23 hours.

INVESTED R100 000

Many farmers on the northern border have invested R100 000 and more in irrigation equipment, which is powered by Escom.

Most of these schemes operate from boreholes near the river.

The sight of the river in full spate made farmers and military personnel stop in their tracks and watch in awe. Some spent hours just enjoying the view from high vantage points.

[Box, p 3M]

## No Plan for Scheme on Mighty Limpopo

**MESSINA** — In stark contrast to the recent water agreement reached between South Africa and Lesotho, the effective utilisation of the Limpopo's annual run-off has been dogged by strained relations between this country and its northern neighbours.

As a result, Botswana, South Africa, Zimbabwe and Mozambique have not been able to reap the rich benefits of a scheme on this major river, which comes down in flood at least twice a year.

### RECESSION

The financing of such a scheme, always a formidable factor, has been adversely affected by the general economic recession of the past five years and recent sanctions moves against this country.

These facts emerged from discussions with developers, agricultural leaders and Government officials this week, after powerlessly watching the waters of the Limpopo flow to the sea once again.

The chairman of the Development

Advisory Committee for Region G (the Far Northern Transvaal), Mr Jack Botes, said the Limpopo issue had become a top priority from South Africa's point of view.

He confirmed discussions had been held at an economic level with Botswana and Zimbabwe but said no concrete action had resulted.

Guerilla incursions from Botswana, Zimbabwe and Mozambique, as well as reprisals by South Africa, have clearly stalled all negotiations.

A spokesman for the Department of Environmental Affairs said feasibility studies for a Limpopo water scheme had been completed several years ago.

These would serve as a basis for top-level talks, but he could not give any likely timetable.

Mr Manie Eloff, chairman of the Soutpansberg District Agricultural Union, has repeatedly made strong pleas on behalf of farmers for attention to be given to this vital matter. He said any progress would be welcomed by organised agriculture.

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CSO: 3400/465

SOCIAL SECURITY NET WIDENED TO HELP MORE JOBLESS PEOPLE

Johannesburg THE STAR in English 14 Nov 86 p 4

[Article by Kym Hamilton]

[Text]

Contributions to the Unemployment Insurance Fund will rise by 0,2 percent from January 1 this year to boost the fund by R9 million a month, the Director-General of Manpower, Dr Piet van der Merwe, said yesterday.

The ceiling of eligible contributors has also been increased to a maximum income R26 000 to R30 000 a year.

The latest moves will strengthen and bolster the fund to meet future demands.

"However, it really means that the social security net has been broadened to assist more people," said Dr van der Merwe.

The fund is expected to pay out R400 million in benefits to the unemployed this year. Up until September 30 this year, the fund had already paid out benefits totalling R299,5 million to 197 000 jobless South Africans.

The increase from 0,7 percent to 0,9 percent was recommended by an actuarial investigation into the fund and will increase reserves to enable it to meet its commitments should unemployment continue to rise, said Dr van der Merwe.

And this year, for the first time since 1982, the fund is showing a surplus of R9,2 million instead of a deficit, which last year totalled R146,6 million.

The fund's balance is at present R174,8 million.

The number of workers who contribute to the fund has increased from 3,6-million last year to 4,1 million for 1986.

### **In the pipeline**

Dr van der Merwe pointed out that the fund assisted the jobless for up to 26 weeks depending on how long a person has contributed.

However, amendments to increase the number of beneficiaries are in the pipeline. The legislation has already been submitted to the Speaker in Parliament and will go to the standing committee on manpower early in the new year.

In terms of this, benefits will now be extended to parents of adopted children. They will qualify for assistance for a maximum period of up to 26 weeks if the adopted child is under two years of age.

Maternity benefits have also been revised. At present an expectant mother can claim for 18 weeks prior to giving birth and for eight weeks after the birth. Now the mother will be able to claim for a total of 26 weeks from the time she leaves her job.

The law will also be changed to assist unemployed people who undertake a training course and widowers who were dependent on their wives. Up until now, a widower has had to prove he was also sickly.

The UIF was only one way in which the Government was attempting to ameliorate the situation and assist the unemployed in South Africa, said Dr van der Merwe.

According to the latest current population survey there are presently 700 000 unemployed in South Africa. This figure excludes the four independent homelands. Other "non-official" estimates put the number of jobless at 1,7 million and others as high as 3 million.

There was no instant solution to the problem, said Dr van der Merwe.

However, the present multi-million rand job creation and training programmes are the most comprehensive and intensive project to relieve the situation and create jobs yet undertaken by a South African Government.

### **Successful**

Dr van der Merwe added that it was also the most successful programme.

However, the solution is not only the Government's task. The private sector also has an important contribution to make, he said.

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CSO: 3400/465

ORGANIZATIONS FEED HUNGRY IN PORT ELIZABETH TOWNSHIPS

Walmer Township Soup Kitchen

Port Elizabeth WEEKEND POST in English 8 Nov 86 p 8

[Article by Mike Mabusela]

[Text]

WALMER TOWNSHIP, unlike others, has a soup kitchen to serve its needy and old people.

At a small building, built for this purpose near the township's entrance, pre-school children and old people get their food parcels, bread, peanut butter and soup daily.

The Walmer Location Soup Kitchen has been supplying the needy there since 1950.

A spokesman for the centre said they had received grants from the Community Chest, World Vision, Firestone, Walmer Round Table and others.

● Mrs Glynis Baer, regional director of Operation Hunger, said the organisation was handing out parcels to the needy at 21 different points in the townships, with the exception of Motherwell, where they were yet to establish the system.

She declined to say where these points were.

"Here people are given parcels comprising of mealie meal and soup mixture every two weeks," she

said.

But the organisation had yet to decide whether to establish soup kitchens in the African townships.

She expressed the fear that the number of needy people could soon rise, with increasing numbers of people unemployed.

Operation Hunger was currently feeding 161 000 people — 23 000 families — in PE African townships.

A committee of 11 has been elected by the needy people to help them.

The only one she named is newly appointed Operation Hunger field worker Mr Thabo Jonas.

Mrs Baer said local traders, all members of the East Cape African Chamber of Commerce, had helped transport food into the townships.

Operation Hunger was now appealing to groups of people who could offer help to phone Mrs Baer at 391566.

● The Black Sash office in Port Elizabeth has also played a major role in securing food for needy people in the African townships.

Mrs Cathy Binnell, of Black Sash, said they had supplied food parcels to elderly people in TB Huis, Red Location. Some township residents had helped transport the parcels.

Recently they were given a donation by the Urban Foundation to build a big shack where soup and parcels would be served to the old people of TB Huis.



## Many Take To Self-Employment

Port Elizabeth WEEKEND POST in English 8 Nov 86 p 8

[Text] AS necessity is the mother of invention, so unemployment in Port Elizabeth's townships has taught many people to be self-supporting.

One of them is Mr Victor Dinana Mangani, 32, of Zwide.

He was forced to leave school after a relative paying his fees lost his job.

Mr Dingani first began to earn a living selling vegetables.

But he is now selling the caps, dresses, trousers and lumber jackets he makes in his backyard shack in Zwide, where he lives with his wife, Nofanele, and their three-month-old baby.

Another making it through the tough times is Mrs Margie Ngece, who has been selling second-hand clothes since leaving her job in 1960.

She has educated her five children, one of whom is a teacher.

Mrs Nobuntu Zihle is selling fat-cakes (*amagwinya*) like proverbial hot cakes to township youths. She is supporting seven children.

Mr France Ndamase, of Kwazakele, lost his job in 1974, but he had been able to support his wife Nobelungu and five children by teaching himself to become a barber. He charges R1,20c a time.

Selling baked fish is Mrs NomaXhosa Mgudlandlu's business.

She has been doing this for the last four years since losing her job as a domestic worker in Walmer. She lives in Soweto with three children.

"Since learning to support myself, I have also been supporting my family," she said.

## Few Soup Kitchens in Townships

Port Elizabeth WEEKEND POST in English 8 Nov 86 p 8

[Article by Mike Mabusela]

[Text]

DESPERATE and hungry people in Port Elizabeth's townships no longer have even soup kitchens to give them a half-decent meal each day.

I know. I pretended to be such a person this week and trudged the streets of New Brighton, Zwide and Kwazakele looking for a soup kitchen after getting requests for help from the desperate, the unemployed and the just plain hungry.

They said they had nowhere to go to find food.

Was this possible in 1986 in a developed country?

I set out to discover for myself and must report, sadly, that it is true.

Numerous people said they had heard that some food parcels had been distributed.

None knew for sure and no-one had been able to establish the distribution points.

I could not establish if it was true that at times one of the churches in Kwazakele handed out food parcels.

No-one could confirm this — and there was nobody at the church or the mission house to give information.

I met a lot of people who are now forced to beg. Some of them were acquaintances, who asked me to give them at least R1 to buy a loaf of bread for the family.

I helped one, who helped me to understand how difficult it was to be an unemployed father.

Exhausted, I returned home, knowing a little of what it was like to be an unemployed and desperate father, unable to get something to eat for himself or his family.

Luckily for me, it was only for one day.

For others, it's every day.

## Unemployment Benefits Exhausted by Many

Port Elizabeth WEEKEND POST in English 8 Nov 86 p 9

[Text]

SEVERAL hundred people in Port Elizabeth share the plight of a young Port Elizabeth man who has been granted the maximum unemployment benefits (UIF) which can be allotted to him and despite exhaustive inquiries has still not been able to find a job.

Mr Ernest Jonas, 32, of Windvogel, is faced with the dilemma of having to seek work elsewhere, probably Johannesburg.

Mr Jonas has three foolscap pages stamped by firms on whose doors he has knocked for work in the month of October. None of the firms had a vacancy.

He left Port Elizabeth as a young man of 19 and worked for seven years at an hotel in downtown Johannesburg where he started as a wine steward and then worked himself up to a position of supervisor of cleaning with stints on the night reception desk.

He returned to PE in 1980 to get married. His wife was not keen to accompany him to Johannesburg so the couple stayed in PE.

They have a daughter aged four.

Mr Jonas had a good job at the Ford Motor Company as a material handler but was retrenched and then got another job with a steel company which closed down.

Yet again he was without a job. A stint as a security guard with a security company was followed by yet another job at a steel company where he was retrenched when staff was reduced.

He claimed from the Unemployment Insurance Fund (UIF) and was given benefits for six months and an extension for two months.

Mr Jonas said UIF could

not grant him a further extension.

"I would like to stay in PE and I would like to make a positive contribution to the city," he said.

"But all the places I have tried do not have any vacancies," said Mr Jonas. "I might be forced to leave town to make a new life for my wife and child."

His wife, Hester, said the couple stayed with her mother-in-law, who drew an old age pension of R117 a month.

Her husband left their home in Windvogel early every morning and walked to the city to look for work because he could not afford the bus fare.

She said they managed to survive by eating simply. Breakfast was a slice of *potbrood* and black coffee followed by an egg for lunch. Supper was the main meal of the day with a little stewing meat and lots of vegetables.

Weekend Post told her about the social relief scheme administered by the House of Representatives for unemployed people affected by the recession.

The adults in the household can draw R164 each and R49 for each child.

Mrs Jonas said they would apply for relief aid which would be a great help to them if granted.

The director of the Christelike Maatskaplike Raad (CMR), Dr M H Vorster, said there had not been a dramatic increase in applications for relief aid from unemployed people.

What was happening was that people who had applied for relief from CMR in the past and then had drawn UIF benefits had again applied for help from CMR when their unemployment benefits were exhausted.

Dr Vorster said there had not been a flood of applications for help from unemployed people because the State was now doing more for the unemployed than in the past through social relief aid for unemployed people of R164 per adult and R49 a child a month.

These grants are administered by the three "own affairs" Departments of Health Services and Welfare departments.

Social relief is granted in the form of food vouchers until the grants come through. The food vouchers comprise R25 for two weeks for an adult and R18 for two weeks for a child.

All the applications for social relief are assessed by social workers on their merits.

Unemployed whites in PE who have exhausted their UIF benefits can apply for interviews to obtain social relief by telephoning 543321. In East London, dial 23110. In platteland towns, apply to the local magistrate's court.

Unemployed coloureds in PE who have exhausted their UIF benefits and who wish to apply for social relief can make appointments at 546731.

Unemployed Africans are not included in the social relief scheme. They can apply for food parcels from the State while grants such as old age pensions and disability pensions are being processed.

## Need For Clothing

Port Elizabeth WEEKEND POST in English 8 Nov 86 p 9

[Article by Jenny Cullum]

[Text]

A PAIR of shoes is something which most of us take for granted. But for an unemployed workseeker, a pensioner, or a three-year-old child who has never owned any, a pair of shoes can mean a great deal.

A Port Elizabeth couple, Mr John King and his wife, Sheila, spend much of their spare time at their home in Mill Park surrounded by shoes, old and new.

They sort, mend, renovate, stitch and glue shoes for the needy. This year they have already passed on 1 000 pairs.

Mrs King handles the clothing section of the Loaves and Fishes scheme of St John's Methodist Church, which gives out family food parcels once a month, mainly to unemployed and aged folk.

"I was upset that so many had no shoes or broken shoes. People looking for work had to walk from the township to town. The need for shoes was so great that I started to collect them," said Mrs King.

Her main source is a PE factory which sends her many hundreds of pairs of rejects and returns.

Her husband, who is connected with the shoe trade, as well as other factories and donors, and church members, help by bringing in more shoes.

Some shoes are brand new and some are worn. But there are never enough to go around.

"Children's and school shoes, and sturdy men's and women's shoes, are most needed. Clothing of all kinds is also very short, and fire victims sometimes have nothing left at all.

"I think that many people in PE have no idea of the desperate plight of some of the unemployed. I have had babies brought here who have no clothes at all, not even a napkin.

"One unemployed man, who was very depressed about having no work, told me that it was "hard to be a man" and not to be able to get work to support his family.

Mrs King has had many sad cases seeking help.

Some children have never owned a pair of shoes and this week a grandmother was seeking a pair of shoes for her grandchild who was to be baptised. She keeps records of the foot sizes of the families on their books.

Neither Mr or Mrs King had any previous experience of mending shoes.

Mrs King matches shoes, sews buckles back, removes trimming and stitches to make the shoes as good as new. Mr King glues soles back in place and does heavy stitching.

They have recently had help with the mending from an unemployed footwear worker.

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CSO: 3400/490

UNEMPLOYMENT WORRIES CONTINUE, ECONOMISTS EXPECT WORSE

Johannesburg BUSINESS DAY in English 18 Nov 86 p 9

[Article by Gerald Reilly]

[Text]

SA'S VAST unemployment problem is serious now, but by the end of the century the chances are that it will be a lot worse, according to economists. This is why government has intensified counter-action and channelled more funds into the campaign to slow down the spiralling numbers of workless blacks.

A factor spurring the urgency of the campaign is the certainty that unemployment is becoming a major factor in black unrest.

Economists have estimated that with the current level of those unemployed — estimates vary from government's 500 000 to academic estimates of about three-million, in addition to the 300 000 new work seekers who come on to the labour market every year — by the year 2000 there could be up to four-million without jobs.

Sanctions already imposed will in the long-term slow down the pace of the economy and shrink further the availability of work.

It's against this background that Manpower Minister Pietie du Plessis has decided to increase employers and employees subscriptions to the unemployment insurance fund from 0,7% of earnings to 0,9%. He has also raised the eligible salary ceiling for benefits from R26 000 to R30 000. This will bring in an additional R9m a month.

Manpower director General Piet van der Merwe says there is no quick fix for the enormous problem, caused mainly by the rapid population growth. Even if the population control campaign mounted by the Department of Health is in any way successful in halting the people explosion among blacks it will be years before the rate slows down to below the current nearly 3% a year.

In the meantime, new workers will continue to flood the labour market at an increasing rate. Van der Merwe says his department is engaged in the most intensive campaign in the country's history to relieve the acute distress caused by unemployment.

The Unemployment Insurance Fund, he says, is only one of the instruments being used. Others include the department's training and job-creation programmes, for which more than R800m has been allocated.

Government policy of deregulation and privatisation will also generate employment, Van der Merwe hopes. Meanwhile, during the first nine months of this year 197 000 beneficiaries were paid a total of R300m in unemployment and other benefits. At the end of September the fund's reserves stood at R174,6m, compared with R149,8m last December.

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CSO: 3400/470

## RURAL FOUNDATION PROGRAM GIVES HOPE TO POOR FARMERS

Johannesburg SUNDAY TIMES in English 16 Nov 86 p 12

[Article by Elsabe Wessels]

[Text] **LOEKIE is a four-year-old farm child with bright eyes and a better chance in life than his grandparents ever had.**

He comes from a long line of farm labourers — generations of people caught up in a cycle of poverty that left little time for anything but work and survival.

Now Loekie and his family are looking forward to a new life as a unique community upliftment programme gets under way.

They'll still be poor, but they'll stand a better chance of breaking the chain of wretchedness that has shackled anything up to 6,5-million farm workers throughout South Africa.

Behind this second chance is a little-known body called the Rural Foundation.

Based in Stellenbosch, the organisation is dedicated to the upliftment of 1,3-million workers and their families — representing nearly a quarter of the total farm population — who live in poverty on farms all over the country.

### 'Have-nots'

For more than 300 years, these workers and their families have been the "have-nots" of SA's ever-growing working class.

Although agriculture is the second biggest industry, farm workers are excluded from protective labour legislation and often subjected to below-the-breadline wages.

The foundation, formed four years ago, is a utility company funded largely by the Department of Health and Population Development and functioning under the auspices of the South African Agricultural Union.

Mr Okkie Bosman is director of this fast-growing and dynamic body, which is now touching the lives of nearly 200 000 farm workers in the Cape, Transvaal and Free State.

### Disturbing

Trapped in a vicious spiral of poverty, farm workers are often exploited by employers. And the lack of legislative protection has aggravated the problem.

The sociological implications are equally disturbing. Alcoholism is rife and illiteracy is commonplace. In many cases, educational development seems to have been paralysed.

There is no doubt that the foundation has adopted a fragile child. But its successes so far have flamed the enthusiasm of its dedicated staff — and enthusiasm is a characteristic common to foundation converts.

The organisation reaches the workers through the farmers. Because of this, it identifies the need for the farmer to be guided on a "people's" level as a top priority.

Each farm is regarded as a micro-community. Said Mr Bosman: "Once a farmer has joined the programme, the challenge is to identify the needs of his workers and to initiate an effective upliftment programme."

### Failure

According to a study by Mr Herman Bailey, the foundation's publicity director, about 63 percent of heads of households on farms cannot read or write.

He says a high first-year school failure rate — due to a lack of basic skills — is often the beginning of a short-lived school career and stunted opportunities.

But there might be a solution to this problem. A study conducted in the Ceres/Kouebokkeveld area found that only 54 percent of children passed Sub A.

Then a pre-primary class was established and, in 1985, its first Sub-A "graduates" achieved an average pass rate of 83 percent.

Elgin farmer Mr Phil Kilpin recorded a similar improvement; a vigilated homework hour in the afternoons produced a remarkable improvement in the performance of pupils on his farm.

One of the Foundation's main aims has been the formation of farm creches, where children are cared for and taught elementary skills.

One of these is the Kabbelland Day Centre, founded on the farm Glen Fruin Trust in Elgin, which accommodates 40 toddlers. The children are supervised by five farm women who have been trained by a Foundation officer.

## Outlawed

In less than three years, the foundation has provided the impetus for the establishment of 250 such creches.

Like the 5 569 so-called farm schools throughout the country, they were funded without Government aid.

The foundation says the ravaging effects of alcoholism remains the most pressing social problem among farm workers.

Alcoholism in farming communities has long been linked with the so-called "dop system" — a highly criticised form of workers' compensation.

And while the practice has been outlawed, the tradition remains on some farms — to the serious detriment of the workers and their families.

The lack of recreational and entertainment facilities is a further contributory cause of alcoholism.

Mr Bailey said almost 23 percent of farms still have a form of 'dop system', but most regarded it as a perk rather than compensation.

Among the foundation's recent achievements are the establishment of funeral and life insurance schemes. And the unionising of farm workers is gradually being accepted.

## Inclusion

Their exclusion from the Labour Relations Act has so far prohibited formal union activities, but observers believe that a top-level reassessment of the situation is at hand.

The long-awaited National Manpower Commission report on domestic and farm workers, expected to be debated in Parliament next year, is likely to recommend the inclusion of both sectors in the Basic Conditions of Employment Act (this would allow official union activities) as well as the Unemployment Insurance Act.

Political pressure from conservative groups has been blamed for the delay in the report, initiated as far back as 1982.

Said Mr Bailey: "Many farmers are not afraid of unions, but the move will no doubt receive opposition from conservatives. Our aim is to educate both employer and employee and assist them to phase it in painlessly.

"What is more important, though, is the implementation of proper employment agreements which provide for annual leave, sick leave and remuneration according to skills."

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CSO: 3400/472

## ATTENTION FOCUSES ON POTCHEFSTROOM GAP FOR NEW GOLD FIELD

Johannesburg BUSINESS DAY in English 11 Nov 86 p 6

[Article by Cherilyn Ireton]

[Text]

**B**OREHOLE results from the Western Transvaal have dispelled the theory that the Potchefstroom district is a barren gap in the Witwatersrand gold basin.

Gold has been found on a farm just 30km north-east of Potchefstroom, fuelling speculation that a new gold mine could be established in the district within the next few years.

While mining circles are confident that at least one new mine will be developed in the region, Anglo American has cautioned that it is still too soon to take such a decision. The drilling programme underway by New Central Wits will take well into the 1990's and only then will results be analysed and feasibility studies undertaken.

**B**ut if the economic mineralisation justifies the development of a new gold mine, this would be the first significant development in the Potchefstroom gap of the gold basin, so called because of the absence of payable reefs between the farms to the west of Deelkraal Gold Mine to Stilfontein.

Gold was detected in the area in the late Forties, when boreholes intersected the Witwatersrand Reef. But values were not on a par with those mined at Carletonville and so funds and energies were diverted to the more promising Free State gold fields.

Now, with mining houses con-

cerned about shrinking gold reserves, they have redirected their attention to the Potchefstroom gap. In their search for gold in this area, exploration companies had been drilling for an extension of the Ventersdorp Contact Reef or the Carbon Leader Reef, both of which are mined in the Carletonville area. Drilling was concentrated in areas where they believed these reefs would be developed. The first borehole, sunk by Anglo's prospecting arm for New Central Wits, intersected the conglomerates of the Johannesburg sub group. Since then, three boreholes are believed to have intersected the reef, one on Gerhardminnebron and two on its southern neighbour Stompoorfontein. Five boreholes on Gerhardminnebron belong to New Central Wits, which first intersected the reef in April in borehole Mgm1, at a depth of 3184m assaying 1 756cm g/ton. The second borehole, Mgm2, intersected the reef at a much shallower 1 341m, assaying 1 438cmg/ton.

New Central Wits says the other three have yet to intersect the reef. Borehole Mgm3 has reached a depth of 1 439m while boreholes

Mgm4 and Mgm5 are still only about 345m deep.

However, speculation is rife that a further two intersections have been made on the farm south of Gerhardminnebron, Stompoorfontein, at depths of 3 500m and 2 000m. At first glance, these two farms seem likely to be the site of

any prospective development. Goldfields has one borehole on Stompoorfontein, while the mineral rights are divided between Anglo (50%), Gold Fields (25%) and Iscor (8%).

Potchefstroom Group Areas has a 10% subscription right in any new venture undertaken by Anglo Prospecting in the Mooiriver area. According to a prospecting map produced by stockbrokers Anderson, Wilson, the mineral rights on Gerhardminnebron are divided between New Wits (23%) and New Central Wits (67%).

In terms of a contract with Anglo, New Central Wits must sink another three boreholes before deciding whether to continue prospecting operations.

This first phase of drilling should be complete by 1991. Meanwhile, geologists believe the reef

intersections may indicate another entry point to the Witwatersrand basin.

**T**he OFS, Carletonville, Witwatersrand and Klerksdorp gold mines are all situated on areas thought to be prehistoric fan-shaped fluvial inlets to the basin.

During various stages of the earth's development, gold was deposited in these areas, leading to the formation of the gold-bearing reefs.

While it is still too early to prove this is the case on Gerhardminnebron, mining houses are keeping a close watch on the drilling activities in progress.

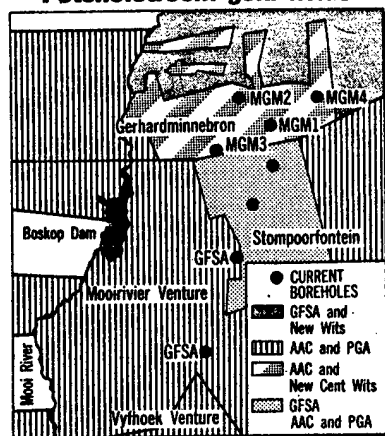
If another alluvial fan exists, gold deposits may extend over a wide area and, if payable, could lead to the development of several new gold mines.

**A**nother important factor is that the reef which has been exposed — at a 40 degree dip — appears to be the same horizon that is payable in the Vaal Reefs area.

If the drilling of many more boreholes proves this, economic mineralisation could extend from Klerksdorp to Gerhardminnebron.

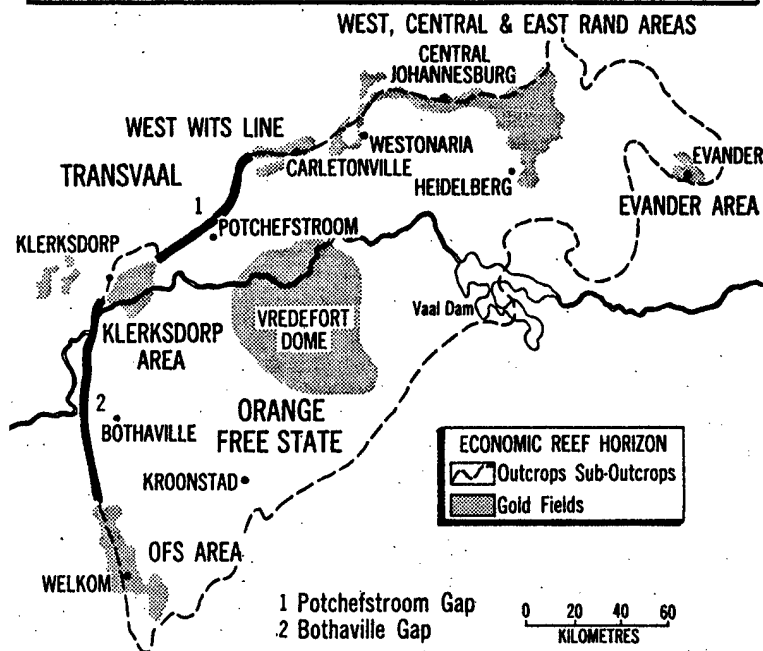
With this in mind, even those with no vested interest in the area are excited about the initial drilling results and see the door open for the development of another noteworthy goldfield.

**Potchefstroom gold fields**





# **POTCHEFSTROOM & BOTHAVILLE GAPS**



/13046  
CSO: 3400/470

NEW DEMANDS PLACED ON MAINTENANCE SKILLS

Johannesburg BUSINESS DAY in English 5 Nov 86 p 9

[Article by Mick Collins]

[Text]

RECENT developments in SA will place even greater demands on maintenance engineers, said Dorbyl's CE Dawid Mostert. Addressing last week's Maintenance Management Convention in Johannesburg, Mostert told delegates that, with capital expenditure at lower levels than depreciation charges, the country is divesting as far as plant and machinery is concerned.

"The overall effect is that equipment is getting older and replacement decisions are being delayed. There has been a drop in fixed investment in real terms and the country is not investing in new plant and equipment at the normal rate."

Mostert also said that the value of a depressed rand resulted in price increases which made it difficult to justify replacement, even where substantial productivity improvements go with the introduction of more modern equipment. "SA has large foreign debts, and this is likely to limit the availability of finance for domestic invest-

ment. The country will not be able to depend on a significant inflow of foreign capital in the foreseeable future."

Escom's senior GM Ian McRae said maintenance engineers must come to terms with the reality of the political situation. "The real issue is not political unrest and sanctions, but understanding the new SA that is emerging. We have to come to terms with the fact that we are a developing nation. Developing nations have a number of things in common. The population is largely unskilled or semi-skilled and productivity is usually low when measured against sophisticated world outputs. Such countries can seldom afford the best and most sophisticated in the world."

The absence of foreign capital, coupled with sanctions, are forcing industrialists to face reality and consider every avenue that will curb costs. "Ironically, sanctions will probably force us into action to achieve the improved productivity we have been talking about for so long."

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CSO: 3400/472

COUNTRY'S DIMINISHING AIR LINK OPTIONS NOTED

Johannesburg THE STAR in English 5 Nov 86 p 13

[Article by Zenaide Vendeiro]

[Text]

South Africa lost its direct air links with two continents this month (although one of these bans only comes into effect in a year's time and the other is being contested).

The country is likely to be isolated even further in the next few months as the sanctions campaign reaches its climax.

The impending loss of the North American and Australian routes — among South African Airways's most profitable services — came as the biggest blow to the airline since it was banned from flying over Africa in 1963.

SAA was then able to overcome the ban by flying around the bulge of West Africa. It did so without missing a single flight, but at a cost of tens of millions of rands.

However, SAA had the foresight to formulate plans to circumvent future overflying or landing restrictions. These included the exploration of new routes and destinations, the operation of "undercover" services

and the use of airports in neighbouring states.

However, the options are shrinking.

Apart from the bans on flights to the United States and Australia SAA has already been banned from most of Africa, the Seychelles, Vietnam and Japan. And it is likely that in the near-future it will lose routes to Zimbabwe, Zambia, several European states and South America.

Attempts to avert these bans will prove extremely tortuous and expensive.

#### PRESSURE

International airlines operating to and from South Africa are also under pressure.

Five national carriers have stopped flying to South Africa. The Australian airline, Qantas, was ordered to withdraw in 1977. Pan American, Iberia, Scandinavian Airline Systems and Aerolineas Argentinas, cited low profitability for their retreat, but this was caused by the political situation

in South Africa (which discouraged incoming travellers) and the ensuing drop in the value of the rand (which put overseas travel out of the reach of many South Africans).

Now more airlines could withdraw for the same reasons.

International carriers also face threats by Zambia and Zimbabwe to impose an overflying and landing ban on services bound for South Africa.

If they materialise, airlines will have two options. They can either operate direct services to South Africa, which avoid overflying those states — at the risk of losing traffic in other African countries — or they can re-route their flights to neighbouring states.

British Caledonian has managed to wrest the Botswana route from British Airways and will begin services next year.

Whatever happens, the incentive to travel to or out of South Africa will diminish, involving more expensive routes and connecting flights.

## SOUTH AFRICA

### BRIEFS

150,000 TONS OF WHEAT IMPORTS--Wheat imports this year are likely to amount to about 150 000 tons and there will be no problem in finding suppliers--in spite of boycotts. Wheat Board GM Dennis van Aarde told BUSINESS DAY in Pretoria yesterday that although the final estimate of the crop had not yet been made it was likely to be just over 2-million tons. In fact, he said, the crop would just about match local demand. The board's carry-over into the current season amounted to a two-month milling supply, or about 320 000 tons. The intention was to raise the carry-over into next season to at least a three-month supply. This could require the importation of about 150 000 tons. Van Aarde said widespread rains had ensured a good crop in the Free State and Transvaal growing areas. This would compensate for the losses suffered in the Cape because of excessive rains and high humidity. [By Gerald Reilly] [Text] [Johannesburg BUSINESS DAY in English 11 Nov 86 p 2] /13046

TRADE NORMALIZER IDENTIFIED--Pretoria's man in Berne enacting the Economic Advisory Council's suggestion to normalise international economic relations is former government media adviser Chris van der Walt. The EAC had recommended to government that a full-time, overseas-based representative be appointed to call on "European and certain Asian countries" and, if possible, provide more-comprehensive information on SA's economic and political trends. Van der Walt has been stationed in Switzerland for almost a year and has, according to official sources, been handling general inquiries. The Finance Department produces a regular macro-credit analysis outlining gross domestic product growth and inflation data, and this is being conveyed to interested foreign parties. [By Alan Sendzul] [Text] [Johannesburg BUSINESS DAY in English 11 Nov 86 p 13] /13046

FOREIGN TOURISTS DOWN--The number of foreign tourists visiting South Africa has dropped by 35 percent this year following a 10 percent drop in 1985, reports the executive director of the South African Tourism Board. Mr Spencer Thomas said at the last day of the Second Resources conference in Johannesburg that terrorism, unrest and sanctions had an impact on visitors but there was also a form of self-imposed sanctions by potential tourists in the form of general animosity against South Africa. He said a tourist could be accused of supporting a morally insupportable regime or, even more pertinently, he had been led to believe he risked being shot at or blown up. Current reforms and constitutional developments, he hoped, would create the right marketing climate for South Africa again to attract large numbers of foreign visitors. The opening of amenities to all races would greatly help tourism among blacks. The problem remained, however, that nobody was entirely

sure how to tap this vast potential market. Mr Thomas disclosed that Durban, faced by a decline in tourism as a result of homeland tourism, had asked the Government for permission to open a casino. "The argument has logic on its side but is up against realities...gambling in independent states is a way of getting South Africans to proffer financial support without the Government having to tax citizens," he said. [By Jaap Boekkooi] [Text] [Johannesburg THE STAR in English 17 Nov 86 p 13] /13046

MORE FIRMS TRADING IN AFRICA--More South African companies are trading with the rest of Africa, says the SA Foreign Trade Organisation (Safto). Its annual report says there has been a "sharp rise" in the number of smaller companies doing business with African countries. A region-by-region analysis paints an optimistic picture of export opportunities. Only Oceania, where Australia and New Zealand are already applying limited sanctions, is singled out as a no-growth area. Western Europe remains the most important market, says Safto. While political action places restraints, "innovative" marketing techniques offer major opportunities. North Americans, while wary of goods with an obvious SA identity, cannot resist the price advantages of a weak rand, although exports of certain products could be curtailed in the future. The west coast markets of South America are taking record shipments of SA industrial goods. The Middle East, already exploited by some SA exporters, is likely to become more important as business seeks alternative markets for its goods. Exports to the Far East have risen "dramatically". Where this region used to take mainly primary goods, there is increasing demand for manufactured goods. [By David Furlonger] [Text] [Johannesburg BUSINESS DAY in English 7 Nov 86 p 3] /13046

FAKE SWAZI LABEL TRADE--A flourishing trade in forged certificates of origin ostensibly from Swaziland has developed in SA to combat sanctions, says a top Swaziland official. Swazi Commerce and Industry Minister Derek von Wissel said yesterday: "Certain products such as electronics, agricultural ware and processed goods are now being sold in some parts of the world with false labels showing they were made in Swaziland." Such documents were "freely available" in Durban, Wissel said. SA Chamber of Commerce officials, say it is possible forged certificates are on the market. Johannesburg Chamber of Commerce GM Marius de Jager said all applicants for certificates must first sign an affidavit. The chamber took "great care" to verify the applicant's authenticity, he added. But other sources said people could lie on their affidavits or set up their own printing operations for the certificates. Durban Metropolitan Chamber of Commerce chief executive K W Hobson said he had not heard of the illegal practice but would look into it. SA government officials said it was not their business to police the certificates. The Customs and Excise Department only acted if it received a complaint from a foreign government, said D H Elliott, a customs director. Trade and Industry Department spokesman W J Smalberger said his department had no involvement in issuing or checking certificates. Von Wissel said: "Countries doing business with us must first check directly with this ministry to ensure the goods they are getting are from Swaziland." [Text] [Johannesburg BUSINESS DAY in English 6 Nov 86 p 3] /13046

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## CONSUMPTION OF LOW GRADE COAL FREES HIGHER QUALITY FOR EXPORT

Johannesburg THE SUNDAY STAR in English 12 Oct 86 p 8

[Article by John Orpen]

[Text]

SOUTH Africa's coal-export industry, which — sanctions allowing — currently earns the country roughly R2 500 million a year, would simply not be sustainable were it not for the fact that Escom has devised methods of burning high-ash coal in its power stations.

The power station where the cost-effective burning of low-grade coal has been perfected is Lethabo, near Vereeniging. It is fed by Am-coal's Maccauvlei colliery.

By efficiently burning low-grade coal (with a heat content of 15 to 17 MJ/kg), Escom is freeing higher quality coal (24 MJ/kg) for export.

According to Alex Ham, assistant general manager (engineering) at Escom and the man responsible for power-station design, the colliery and power station are now exploiting some 800 million tons of coal. Until as recently as 1980 it had been thought that this coal might have to be abandoned on account of its high ash content.

"But the development of new techniques by Escom has meant that this resource can now be turned to account. It also means that the country is being provided with an additional 3 600 MW of electricity capacity," says Mr Ham.

Given South Africa's total coal resources of around 58 000 million tons, the 800 million-ton gain does not, on the surface, appear significant. But if it is borne in mind that

it has freed some 400 million tons of high-grade coal for export, it has paved the way for foreign-exchange earnings of around \$9 000 million to \$10 000 million.

Even if the freed high-grade coal were to be sold locally, it would be worth about R6 000 million.

Escom's success in burning low-grade coal at Lethabo comes after extensive research and innovative engineering development. Various problems had to be overcome.

Says Mr Ham: "To extract the maximum thermal efficiency from the coal it should ideally be burnt at 1 500 deg C. But ash melts at 1 200 deg C and that clogs up the boilers. So you get two conflicting parameters."

Lethabo's boilers had to be increased in height and special burners had to be developed, the coal-handling and milling systems enlarged and the high quantity of ash had to be catered for in the design of the precipitators and the ash-handling system. The boilers were supplied by Babcock Engineering Contractors.

Quite apart from the foreign-exchange aspect, there are other advantages to the country which this new technology has made possible. For example, the coal-export industry discards about 15 million tons of low-grade coal a year. This costs the country about R30 million.

By burning high-ash coal, Escom is obtaining an otherwise unwanted nuisance cheaply, the exporters are freed of dumping costs and the country's energy needs are being met optimally.

The use of cheaper discard coal also replaces the purchase of freshly mined coal and can generate savings on South Africa's fuel bills.

The coal has no other potential and urban, industrial and recreational pressures could well put it out of reach forever if it is not used fairly soon.

The Maccauvlei colliery is also highly efficient. The area, land values and mining depths lend themselves to cost-efficient open-cast mining methods and this offsets the quality disadvantage.

The cement industry could also benefit from the burning of low-grade coal as the fine ash could prove to be a valuable cement extender. Lethabo ash might well find its way into the construction of homes and buildings all over the country.

The 1982 Geological Survey estimated the country's recoverable coal reserves to be around 58 billion tons, enough to meet the country's needs for the next century. The development of this new technology, however, extends that estimate considerably.

Escom is taking steps to reduce the impact on the environment at the colliery. To rehabilitate the area, ash will be dumped in the exhausted areas, covered with a substantial layer of topsoil and grass-seeded. A pleasant, rolling landscape suitable for recreation will be the power station's legacy to the area.

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NEW GROUP SET TO HELP IN FIELD OF HIGH TECHNOLOGY

Johannesburg BUSINESS DAY in English 30 Oct 86 p 16

[Text] SANCTIONS, management buy-outs and general 'technophobia' are making potential investors in high-technology more and more edgy about participating in this high-growth market.

A recently formed group, WPMP, hopes to satisfy some of the emerging problems. The company was founded to fulfil both the technology venture partner role, and to provide entrepreneur support mechanisms.

According to MD Ian McLean: "The assessment of viable technology market opportunities is difficult due to a number of factors, including the nature and speed of technological progress, the problem of identifying innovative products, and the difficulty in assessing the level and type of investment.

"Compounding this difficulty is the general 'technophobia' exhibited by many investors, coupled with the often inaccurate perception that technology only represents high risk.

"Trained and experienced, fiscally orientated investors need venture partners with a knowledge of technology an operating experience to assist them in making risk investment judgements. Synergistic participation with these venture partners will increase the likelihood of the new venture's success

and the opportunity for sound investment and above-average return."

McLean points out that a climate which actively nurtures entrepreneurial activity with a minimum of restrictions will be the most likely to produce the most rapid, innovative and long-lived economic growth.

He explains that entrepreneurs need support venture partners to increase both their technical resource pool and management capabilities, simultaneously providing the vital assistance to ensure success: would-be entrepreneurs need much more than money to succeed in the commercialisation of their ideas.

"Our emphasis is on converting intellectual property — of which there is an abundance within SA — into products that are appropriate to South African needs, with major emphasis on the suitability of such products for international markets."

WPMP provides a wide range of services ranging from fundamental electronic logic design to full-scale business marketing appraisals and funds motivations. In addition, the company has established local and international associations with distribution, sales, marketing, public relations, and production organisations to assist technology oriented entrepreneurs in successful commercialisation of their products.

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